

Moving to Work



The Housing Authority of the City of Atlanta, Georgia

Comprehensive Budget

**For the Fiscal Year
Beginning July 1, 2015 and Ending June 30, 2016**

Approved by AHA's Board of Commissioners at the June 16, 2015 Meeting

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MISSION STATEMENT

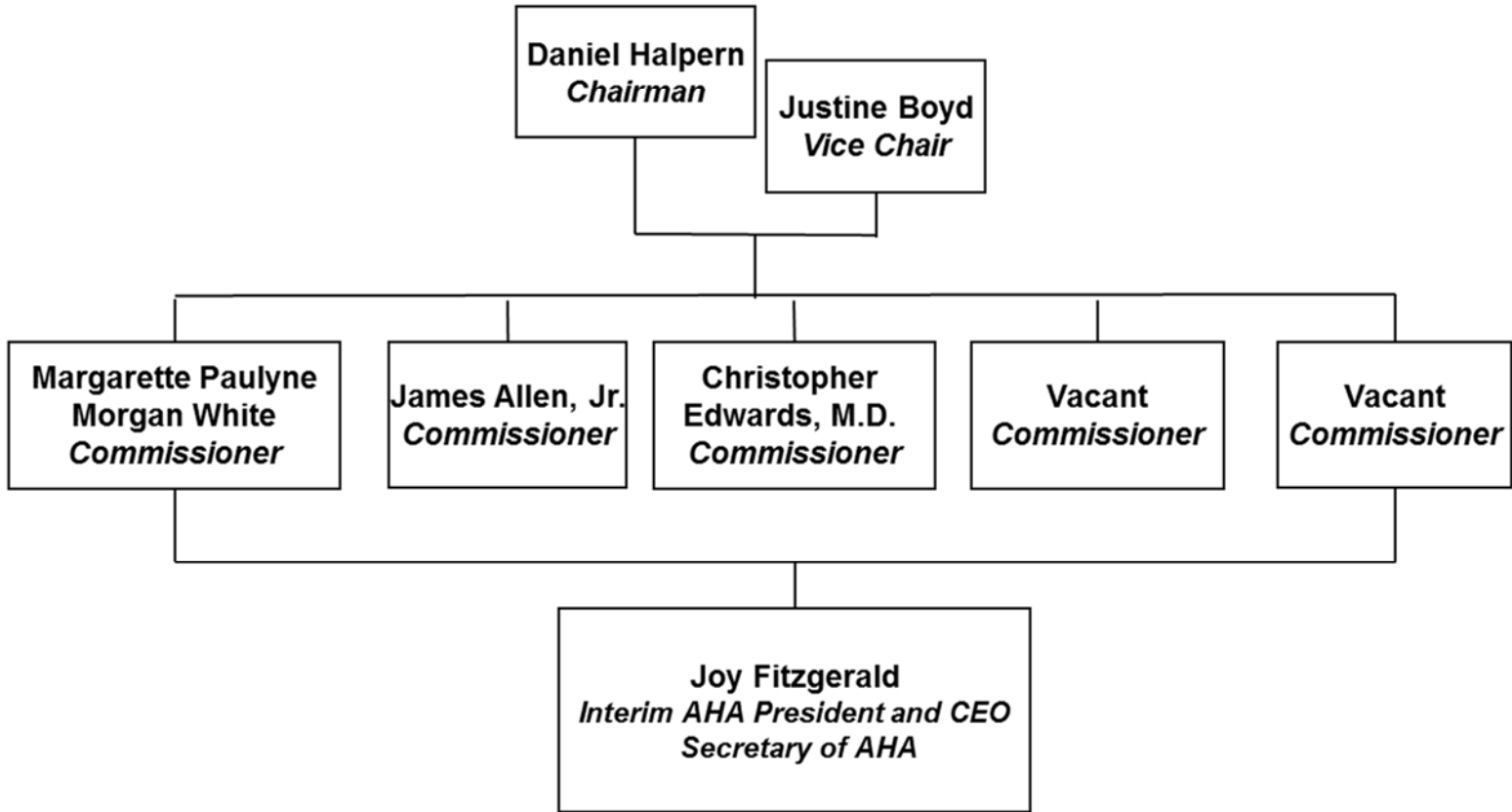
Provide quality affordable housing in amenity-rich, mixed-income communities for the betterment of the community



VISION STATEMENT

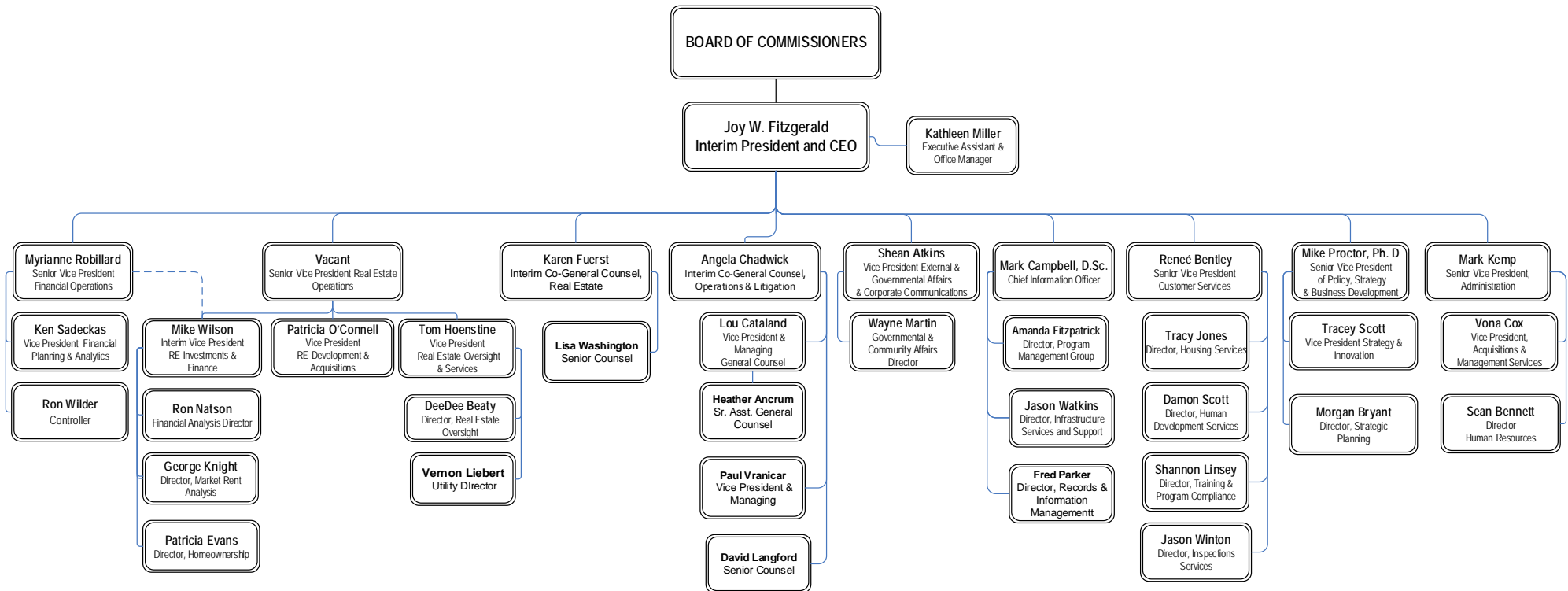
Healthy Mixed-Income Communities; Healthy Self-Sufficient Families

AHA's Board of Commissioners



As of June 2015

AHA's Organization



As of June 2015

BUDGET OVERVIEW

AHA's Moving to Work (MTW) Agreement Renewal and Five-Year Plan

Under an agreement negotiated and executed between The Atlanta Housing Authority (AHA) and The U.S. Department of Housing and Urban Development (HUD), AHA was granted the MTW status until June 30, 2018, at which time the Agreement may be automatically extended for additional ten-year periods, subject to HUD's approval and AHA meeting certain agreed-upon conditions.

In light of recent MTW Agreement renewal requirements announced by HUD, the FY 2016 Budget has been developed to support a five-year plan that will allow AHA to meet HUD's conditions, as they are currently understood, for the renewal of the MTW Agreement.

AHA's FY 2016 Moving to Work (MTW) Implementation Plan

AHA's FY 2016 Budget ("FY 2016 Budget" or "Budget") has been developed in conjunction with and as a part of our FY 2016 MTW Implementation Plan ("FY 2016 MTW Plan").

The FY 2016 MTW Plan was approved by AHA's Board of Commissioners and was submitted to the U.S. Department of Housing and Urban Development (HUD) in April 2015. The Budget must be approved by the Board and submitted to HUD by June 30, 2015.

AHA's FY 2016 Priorities

The FY 2016 Budget encompasses sources and uses of funds that support AHA's four (4) priorities and underlying activities established in the FY 2016 MTW Plan, which align with MTW statutory goals. Those priorities are highlighted below.

Priority 1: Housing Opportunities & Real Estate Development

FY 2016 FOCUS: Expand and preserve housing opportunities while facilitating development of new mixed-income communities.

AHA will continue to expand housing opportunities using its various real estate initiatives, public/private partnerships and resources, and MTW flexibility to increase households served. In addition to its continued investments in its 16 master-planned mixed-use, mixed-income communities and consistent with its previous conversion (reformulation) of subsidy at Centennial Place – the first of its master-planned, mixed-use, mixed-income communities – AHA will continue to explore the conversion of HUD-funded public housing subsidy to a Section 8-based funding platform via the use of AHA's MTW-based Project Based Rental Assistance (PBRA) program or otherwise, including HUD's Rental Assistance Demonstration (RAD) option.

In the eleven senior high-rises and two family properties owned by AHA, new property managers/ developers (PMDs) have been contracted. The PMDs are exploring approaches to finance the rehabilitation of those properties, including potential conversion of HUD-funded public housing subsidy under HUD's RAD program. AHA will also continue to use its PBRA program to incent private-sector developers and owners to develop or

rehabilitate quality rental communities that include affordable units.

Using PBRA and tenant-based Housing Choice vouchers, AHA will continue expanding its supportive housing program combining affordable housing with intensive support services for at-risk populations. AHA will continue to use its Housing Choice tenant-based voucher program to facilitate housing opportunities in economically integrated neighborhoods.

To facilitate this priority, AHA's FY 2016 Budget supports the following initiatives:

- a. Advance the master plans for mixed-use, mixed-income communities.
- b. Advance longer-term real estate development strategy.
- c. Increase voucher utilization using project-based and tenant-based voucher programs.
- d. Expand supportive housing and homelessness initiatives.
- e. Implement the conversion (reformulation) demonstration for Centennial Place.
- f. Preserve and maintain AHA-Owned Residential Communities.

Priority 2: Human Development Services and Self-Sufficiency Initiatives

FY 2016 FOCUS: Increase the number of Housing Choice households that are compliant with AHA's Work/Program

Requirement through enhanced services coordination, contract service providers, and expanded partnerships.

Over the last 20 years, AHA has successfully deconcentrated poverty through relocation of families from public housing sites primarily by using Housing Choice vouchers. While many families are making progress, many families are struggling to maintain their assistance and to move toward self-sufficiency. AHA understands to be successful in mainstream America, long-term, outcome-based human development services for the entire family must be sustained until the desired outcomes are achieved.

Over the last 12 years, AHA has used its MTW flexibility to design and implement innovative strategies that facilitate family self-sufficiency. AHA's policies have contributed significantly to improved outcomes for families. As the environment changed, a greater need emerged to identify strategies that would further advance the well-being of families assisted by AHA now and in the future. Therefore, AHA's human development services focus on its strategic role in breaking the cycle of intergenerational poverty through cradle-to-college education strategies and workforce development initiatives as well as assisting elderly and disabled residents to lead active and healthy lives.

To facilitate this priority, AHA's FY 2016 Budget supports the following initiatives:

- a. Increase work/program participation by Housing Choice families.
- b. Promote Aging Well strategy.
- c. Expand education partnerships.

Priority 3: Administration

FY 2016 FOCUS: Optimize systems investments and identify efficiencies and cost savings throughout the agency.

As an MTW agency, AHA's financial management practices enable investment opportunities to use its MTW Single Fund dollars for both traditional affordable housing programs and innovative programs that strengthen external and community partnerships in support of neighborhood stabilization efforts in and around the city of Atlanta. In FY 2015, AHA completed a multi-year business transformation effort that included deployment of new processing and accounting systems, process improvements, organizational refinements and increased employee engagement. In FY 2016, AHA will continue to evolve and implement measures to reduce administration costs while continuing to provide assistance to families.

To facilitate this priority, AHA's FY 2016 Budget supports the following initiatives:

- a. Continue Cash Management strategy to optimize receipt and use of Federal funds while identifying other sources of revenue.
- b. Optimize technology performance.
- c. Continue to explore efficiencies and cost saving measures.

Priority 4: Choice Neighborhoods Project (subject to award)

During FY 2015, in response to HUD's 2014 Choice Neighborhoods Implementation Grant Notice of Funding Availability (NOFA), AHA and the City of Atlanta jointly submitted a Choice Neighborhoods Implementation Grant application.

The comprehensive plan submitted with the application in response to the NOFA includes the following strategies:

- a. Housing Strategy
- b. Neighborhood Strategy: Critical Community Improvements
- c. People Strategy

The FY 2016 Budget, as presented herein, does not include any sources or uses of funds associated with the Choice Neighborhoods Implementation Grant as the award is uncertain. In the event AHA is awarded the Grant, to be announced in or about September 2015, the FY 2016 Budget would be amended and re-submitted to the Board for approval with the grant acceptance.

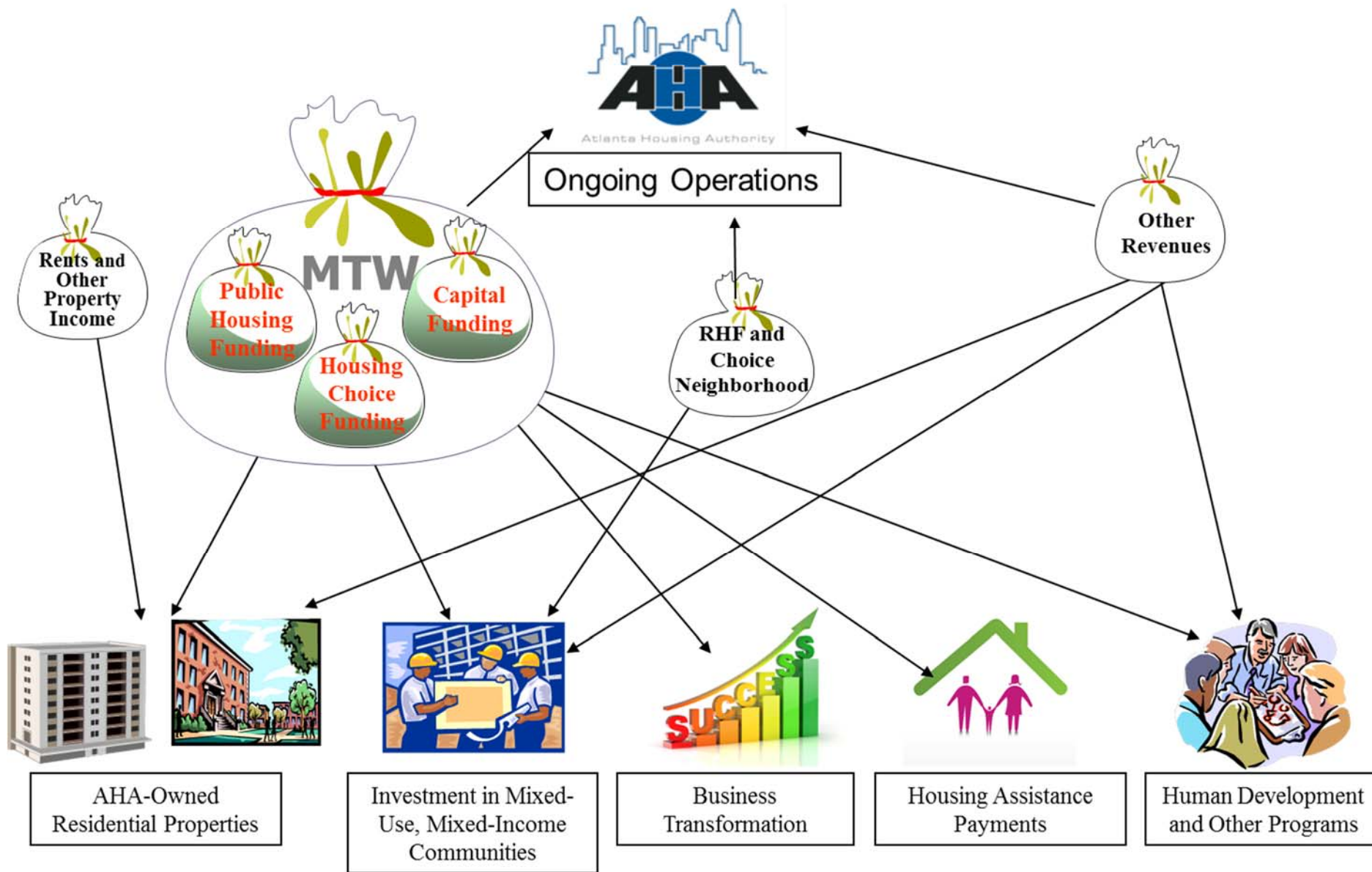
Executive Guidance for the FY 2016 Budget

In addition to the priorities summarized in the previous section, the Interim President and CEO provided the following executive guidance for the development of the FY 2016 Budget:

- AHA will continue to optimize its use of federal funds by increasing the number of families served while reducing corporate expenses.
- AHA's departments should seek expense reduction of at least 10% from FY 2015 Budget or Forecast unless expenses are required to support the increase in families served.
- Budgets will be developed based only on commitments carried over from FY 2015 and new FY 2016 commitments approved by the Interim President and CEO.
- Budgets should be as realistic as possible and should include only items that have a high probability of being accomplished in FY 2016.
- Budgets for AHA-owned residential communities and AHA Headquarters building should continue to reflect cost savings.
- Professional services should be evaluated to determine if they can be handled internally, reduced or eliminated.
- No new hires, including the filling of vacant positions, will be included in the Budget without the approval of the Interim President and CEO.

Please refer to the FY 2016 MTW Plan for additional information on FY 2016 planned initiatives. The sources of funds to support AHA's four (4) priorities and associated expenditures are provided in the "Sources of Funds Assumptions" and "Uses of Funds Assumptions" sections of this narrative. A flowchart illustrating the Sources and Uses of Funds is provided on the next page.

Sources and Uses of Funds



BUDGET PRESENTATION

The FY 2016 Comprehensive Budget (also referred to as “FY 2016 Budget” or “Budget”) is presented in a “Sources and Uses of Funds” format. Certain non-cash items such as depreciation and amortization are not included in this presentation. As a result, the financial information presented in this Budget is not intended to comply with Generally Accepted Accounting Principles.

The following sections should be read in conjunction with the FY 2016 Comprehensive Budget Financial Schedules following this budget analysis.

In order to provide meaningful comparisons to the FY 2016 Budget, figures for the FY 2015 Board Approved Budget (“FY 2015 Budget”) and FY 2015 Annual Forecast (based on March 2015 Year-To-Date Actuals) (“FY 2015 Forecast”) are included in the majority of the FY 2016 Budget Financial Schedules.

The FY 2016 Budget does not include any sources and uses of funds associated with the 2014 Choice Neighborhoods Implementation Grant, for which AHA and the City of Atlanta jointly applied in February 2015. An amended FY 2016 Budget will be presented to the Board for approval with the grant acceptance upon announcement of the awardees, which is expected in or about September 2015.

BUDGET FINANCIAL HIGHLIGHTS

Below is a summary of the major components of AHA’s FY 2016 Budget supporting AHA’s priorities and initiatives.

- Total sources of funds of \$243.5 million, of which \$8.6 million from funds accumulated from prior years and \$18.0 million of excess sources to be held at HUD for AHA’s future MTW-eligible uses.
- Total spending of \$224.6 million, a \$13.5 million increase over FY 2015 projected spending, driven primarily by a \$6.9 million increase in Housing Assistance and Operating Subsidy Payments and a \$10.0 million increase in Development and Revitalization, which are partially offset by \$3.4 million cost reductions primarily in Corporate and AHA-owned properties operating and capital expenditures.
- Major spending components of the Budget include:
 - \$146.8 million for **Housing Assistance and Operating Subsidy Payments**, a \$6.9 million increase over the FY 2015 Forecast due to an increase in Housing Choice voucher lease-ups and new AHA-assisted PBRA units.
 - \$22.3 million for **Development and Revitalization**, a \$10.0 million increase over the FY 2015 Forecast, primarily from increased spending at AHA master-planned properties and RAD conversions.
 - \$20.1 million for **Corporate Support**, a \$1.3 million cost reduction from the FY 2015 Forecast and a \$4.0 million reduction from the FY 2015 Budget.
 - \$17.3 million for **Operating Expense for AHA-Owned Residential Communities & Other AHA Properties**, a \$1.1 million decrease from the FY 2015 Forecast.
 - \$13.6 million for **Operating Divisions**, a \$0.8 million increase over FY 2015 forecasted expense.

SOURCES OF FUNDS ASSUMPTIONS

AHA projects sources of funds totaling \$243.5 million, of which \$235.0 million are current year funds from HUD and other external sources and \$8.5 million are funds accumulated in prior years. Of the total FY 2016 budgeted current year sources of funds, AHA projects it will not draw \$18.0 million of the Housing Choice Voucher Program authorized funds, which will be held at HUD and available for AHA’s future MTW-eligible uses.

CURRENT YEAR SOURCES OF FUNDS

In FY 2016, AHA projects \$235.0 million in funds from HUD and other external sources, basically at the same level as the FY 2015 Budget. The details behind each of the fund components are explained in the following sections.

Moving to Work (MTW) Single Fund

Under AHA’s MTW Agreement, AHA administers its funding for the Housing Choice Voucher Program (HCVP), Public Housing Operating Subsidy (Operating Subsidy) and Capital Fund Program (CFP) as a single fund (MTW Single Fund) in a substantially less-regulated environment with increased programmatic flexibility. Notwithstanding this increased flexibility, there remains ongoing program-specific budgeting, accounting and reporting responsibilities to HUD. AHA will continue to receive funds from these three program areas in

accordance with HUD’s annual appropriations process.

Fiscal Years, the Congressional Appropriations Process and HUD Funding (See chart below)

HUD’s HCVP, Operating Subsidy and CFP are funded through the annual federal appropriations process. On December 16, 2014, the President signed the Consolidated and Further Continuing Appropriations Act, 2015 (2015 Appropriations Act), which includes the funds HUD is providing to public housing authorities for calendar year 2015, which is HUD’s Funding Year (HFY) 2015.

AHA’s fiscal year begins July 1 and ends June 30. The AHA FY 2016 Budget, therefore, includes six months (July–December 2015) that will be funded based on HFY 2015. Based on the provisions of the 2015 Appropriations Act, HUD has established HCVP and CFP funding levels for public housing agencies for calendar year 2015. HUD has established preliminary Operating Subsidy funding levels for calendar year 2015 pending completion of its review of the requirements submitted by the nation’s public housing agencies.

The last six months of AHA’s FY 2016 Budget (January–June 2016) will be based on HFY 2016 funding. Although the Congressional Federal Fiscal Year (FFY) 2016 appropriations process has just begun, the initial HUD appropriation bill introduced in the House supports approximately the same funding levels for AHA programs in FFY 2016 as in FFY 2015.

Comparison of AHA's Fiscal Year to the Federal Fiscal Year and HUD's Funding Year																							
Calendar Year 2015												Calendar Year 2016											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Oct 2014 <- Federal Fiscal Year (FFY) 2015									Federal Fiscal Year (FFY)2016									FFY 2017 ->					
HUD Funding Year (HFY) 2015												HUD Funding Year (HFY) 2016											
<- AHA Fiscal Year (FY) 2015						AHA Fiscal Year (FY) 2016												AHA Fiscal Year (FY) 2017 ->					

AHA's FY 2016 Budget is based, therefore, on HFY 2015 funding levels on the assumption that these levels will be repeated for HFY 2016.

HUD Proration Factors and Offset

HUD funds a public housing authority (PHA) based on its determination of the PHA's authorization using calculations unique to each HUD program. HUD compares the total authorizations for all PHAs with the funds provided by Congress for each program. HUD then applies a reduction factor, known as proration, to each PHA's authorization to determine the actual level of funding. For example, a 90% proration would provide only 90% of authorized funding to a PHA.

The 2015 Appropriations Act did not fund HUD programs to the levels requested by HUD. While the HCVP was overfunded, resulting in a 101.25% proration, the Operating Subsidy is expected at approximately 85% proration. Capital Funds are not prorated but are allocated based on the amount of Congressional funding for those programs.

The AHA FY 2016 Budget assumes that the 2016 HCVP proration level will be 100%, the Operating Subsidy proration level will be 85% and CFP funding will approximate the 2015 grant.

HUD has announced that, in order to meet US Department of the Treasury rules, it is planning to reduce the disbursement of cash to public housing agencies starting with the fourth quarter of calendar year 2015 in order to reduce the amount of cash reserves associated with HCVP funds held locally by the PHAs. Although HUD has recognized that a certain level of cash reserve is necessary by the agencies to meet operating cash flow

requirements, it has yet to provide guidance as to the level of HCVP cash reserve balance the agencies will be allowed to hold locally. However, HUD's proposed new disbursement process will not reduce the total amount of HCVP funds allocated to the agencies, but will shift the cash reserve from local funds to HUD-held funds. This "transfer" of cash, therefore, does not have any impact on FY 2016 HCVP funding included in the Budget as sources of funds.

HUD's Rental Assistance Demonstration (RAD) Program

During FY 2016, AHA plans to begin the conversion of its portfolio of AHA-owned communities and AHA-sponsored mixed-income, mixed-finance units from Public Housing funding (Section 9) to HCVP funding (Section 8) under HUD's Rental Assistance Demonstration (RAD) Program. RAD allows public housing agencies to leverage public and private debt and equity in order to reinvest in the public housing stock. Following approval by HUD, AHA and its partners will finalize revitalization plans, identify equity, and convert the properties from public housing units to AHA-PBRA units. HUD will change the funding for the converted properties effective January 1st of the year following the financial closing. Because of the uncertainty of the timing of HUD approval and related activities, AHA expects to receive Operating Subsidy for all current Public Housing units throughout FY 2016. Please refer to the Uses of Funds Assumptions – Development and Revitalization section for more information on communities projected to convert to RAD in FY 2016.

MTW Single Fund

AHA's projections of FY 2016 MTW funding from its three funding sources totaling \$220.6 million are as follows.

Housing Choice Voucher Program (HCVP) Funds

AHA's FY 2016 Budget includes \$202.2 million in HCVP funds, corresponding to the full authorized funding, a \$2.0 million increase over the FY 2015 Budget, primarily due to the higher proration for half of FY 2016, which was not anticipated at the time the FY 2015 Budget was prepared, and additional funding of VASH vouchers, which is based on assistance payments made by AHA. The \$202.2 million HCVP funds are comprised of \$192.9 million in funding for 19,069 MTW-qualified vouchers (MTW HCVP) and \$9.3 million for non-MTW special-purpose vouchers.

While AHA receives most of its HCVP funds as part of its MTW Single Fund, it also receives separate funds for 735 non-MTW special-purpose vouchers. These non-MTW special-purpose vouchers support the Family Unification Program (300), Veterans Affairs Supportive Housing (VASH) (210), One-Year Mainstream (Near elderly disabled) (175) and Five-Year Mainstream (50). Such vouchers, by virtue of the related appropriations language, will never be eligible for inclusion in AHA's MTW Single Fund and are calculated using HUD's standard formulas. During FY 2016, AHA expects that HUD will provide \$8.8 million for HCVP housing assistance payments for these non-MTW vouchers. Participants using these special-purpose vouchers are managed within AHA's MTW program, but special accommodations apply in accordance with HUD's guidance for each program. In addition to its 210 VASH vouchers, AHA has been awarded 30 new VASH vouchers, to be available in August 2015, which will be included in the FY 2017 Budget as the funding of those vouchers is based on assistance payments, which are not expected to be incurred until late FY 2016.

PHAs earn administrative fees from HUD for each non-MTW voucher under contract. Included in the \$9.3 million is \$0.5 million in administrative fees to be earned during FY 2016 for special-purpose vouchers, subject to a 75% proration based on current HUD estimates. As a result of a recent HUD study on administrative fees, there may be changes in the calculation of fees in HFY 2016, which could affect the last six months of AHA's fiscal year. Because special-purpose voucher administrative fees constitute less than 0.25% of AHA's HCVP funding, no provisions were included in the FY 2016 Budget for such potential changes.

Funding for the administration of MTW vouchers is included in the calculation of HUD's MTW HCVP funding and is not identified separately. However, HUD has announced that it is planning to unbundle the MTW voucher administrative fees from the HCVP funding upon the renewal of MTW agreements in 2019. HUD has yet to formally announce the timing and methodology for unbundling, as well as whether the MTW voucher administrative fees will be subject to a proration similar to non-MTW vouchers (75%), in which case MTW voucher administrative fees could be significantly reduced.

For simplicity of presentation, all non-MTW vouchers and their related revenue and expenses are included as MTW Housing Choice Voucher Program Funds in the Sources and Uses of Funds schedule, although they are managed as special-purpose vouchers and reported to HUD separately.

Public Housing Operating Subsidy (Operating Subsidy)

During FY 2016, AHA projects that HUD will provide \$14.5 million in Operating Subsidy, a \$0.4 million decrease from the FY 2015 Budget, based on 85% proration (89% in the FY 2015 Budget) of funding calculated for 1,953 units at the 13 AHA-owned residential communities and 2,221 AHA-assisted units at 34 mixed-income, mixed-finance (MIMF) communities.

Capital Funds Program (CFP)

HUD establishes CFP budgets at the time of annual grant awards based on characteristics of public-housing-assisted units subsidized by AHA under its Annual Contributions Contract with HUD, as amended. While CFP funds are part of the MTW Single Fund, they are provided to AHA on a reimbursable basis. Any unexpended portion of the grant may be used for future year expenditures during the term and subject to the conditions of the grant award. AHA must expend each annual grant within four years of its award. The FY 2016 Budget projects that AHA will draw and HUD will reimburse \$3.9 million in CFP funds, representing an increase of \$0.2 million over the FY 2015 CFP Budget. The \$3.9 million will completely draw the 2012 CFP award, which is due to be expended by March 2016.

Timing and Amounts of MTW Single Fund Draws

While the use of MTW Single Fund funds is fully fungible, HUD manages the three components separately with unique regulations for each HUD program. Each month, AHA may draw funds from HUD in order to meet AHA's fiscal needs, as well as to satisfy any specific requirements of a funding source. Since some of these requirements are tied to actual expenditures, draws each month, and in total for FY 2016, may not align with the Budget.

It is also probable that AHA will not draw all funds authorized by HUD and included in its FY 2015 Budget prior to June 30, 2015, in order to comply with the regulatory and statutory guidelines of the HUD programs.

Current Year Sources of Funds not Included in the MTW Single Fund

Tenant Dwelling Revenue

AHA projects it will receive \$5.8 million in Tenant Dwelling Revenue from the 13 AHA-owned residential communities during FY 2016. This amount reflects a slight increase over the FY 2015 Budget corresponding to the assumption of a 2% increase in Social Security benefits for the majority of residents. This rental revenue is used to fund operating expenses at those communities.

Rent collected by the Owner Entities from AHA-assisted residents of MIMF communities is not revenue to AHA because AHA does not own nor control these properties. AHA provides operating subsidy to the Owner Entities of these communities for the AHA-assisted units to the extent rent collected from the AHA-assisted residents does not cover the operating cost attributable and related to such units, pursuant to the regulatory and operating agreements or PBRA agreements between the Owner Entities and AHA.

Replacement Housing Factor (RHF) Grants

RHF Grants are used to fund activities under AHA's Revitalization Program. HUD calculates RHF funding based on the characteristics of public-housing-assisted units subsidized by AHA that have been demolished or sold and their replacement

has not otherwise been funded by HUD. Similar to CFP funds, these funds are provided to AHA on a reimbursable basis. Any unexpended portion of the grant may be used for future year expenditures during the term and subject to the conditions of the grant award. During FY 2016, AHA projects that it will use and HUD will reimburse \$6.7 million in RHF funds related to the revitalization of AHA's master-planned communities and the rehabilitation of AHA-owned residential communities and AHA-sponsored communities as part of their RAD conversion to AHA-PBRA communities. Please refer to Schedule VIII.A for details of RHF funding by community/property.

Choice Neighborhoods Implementation Grant (CNIG)

As mentioned previously, during FY 2015 AHA and the City of Atlanta jointly submitted an application to HUD for a 2014 Choice Neighborhoods Implementation Grant. At the time of publication of this Budget, HUD had not yet announced the awardees of the 2014 grant awards, and therefore the CNIG and associated expenses, are not included in the FY 2016 Budget.

National Housing Compliance (NHC)

AHA will continue its fee-based business relationship with Georgia HAP Administrators, Inc., *dba* National Housing Compliance (NHC). AHA, as a member of NHC, earns unrestricted fees generated by performance-based contract administration (PBCA) services conducted by NHC on behalf of HUD. No MTW or other AHA restricted funds support NHC operations. During FY 2016, AHA projects it will receive \$0.6 million in distributions as a NHC member, corresponding to the amount AHA expects to earn based on its FY 2015 Forecast.

Development-related Fees

AHA projects it will close the financial transaction for Centennial Place II in FY 2016 as part of its reformulation demonstration. AHA also projects HUD's approval for the financial closing of Rental Assistance Demonstration (RAD) conversions for Villages of East Lake I & II and Piedmont Road Highrise. AHA expects to earn \$0.4 million in developer and transaction fees at these four financial closings. In addition, AHA projects the receipt of \$0.4 million in asset management fee income related to previously closed deals. Finally, AHA projects \$0.1 million in fees for other development-related activities.

Other Current Year Revenue and Grants

During FY 2016, AHA anticipates it will receive \$0.3 million from various sources including cell tower and other miscellaneous revenue.

Non-Operating Sources of Funds

Due to their uncertainty, sources from the collection of certain receivables or interest thereon, or sale of property are excluded from the FY 2016 Budget.

SOURCES OF FUNDS FROM PRIOR YEAR ACCUMULATIONS

In addition to the uses of funds earned from HUD and other external sources during FY 2016, AHA plans to use funds which it has accumulated or received in prior years. As described below, these funds were accumulated from a variety of sources for specific purposes and may have restrictions on their use. Accordingly, AHA has determined which funds accumulated or

received in prior years are best suited for its FY 2016 Budget uses in order to optimize funds available.

Funds Restricted for Revitalization Activities

AHA, in partnership with its private-sector development partners, will continue to advance its revitalization master plans for sustainable, market-rate quality, mixed-use, mixed-income communities. During FY 2016, AHA anticipates using \$6.4 million in cash that has been accumulated for these purposes. AHA plans to continue to use a combination of RHF grants, MTW funds and Public Improvement funds from the City of Atlanta and its Affiliates to leverage private sources of funds raised by its private-sector development partners to advance the revitalization activities.

Public Improvement Funds Provided by the City of Atlanta and Other City Agencies

The City of Atlanta and its Affiliates have supported AHA's Revitalization Program activities by providing funds for infrastructure and other public improvements in the public right-of-way. These funds typically have come from the sale of special purpose bonds (e.g., Tax Allocation District (TAD) bonds and Water & Sewer bonds). Depending on the source of funding, the City either provides the funds to AHA in advance of construction or as reimbursement for completed construction. During FY 2016, AHA anticipates using \$2.2 million in Public Improvement Funds either provided in advance by the City of Atlanta and its Affiliates or subject to reimbursement by them. Pursuant to agreements with the City, AHA's private-sector development partners execute the public improvement work in order to better coordinate and integrate the construction-related activities.

Drawdown of MTW Funds

In accordance with the terms of AHA's MTW Agreement, HUD has provided AHA funds under the Housing Choice Voucher Program, Public Housing Operating Subsidy and Capital Fund Program each year since 2004, which are combined into AHA's MTW Single Fund. If annual MTW Single Fund revenue exceeds the MTW expenditures, the balance remains available to be used for planned MTW-eligible activities in future years and to supplement future annual HUD MTW funds when proration reduces funding below levels necessary to meet AHA's mission and MTW objectives. The FY 2016 Budget does not anticipate the use of MTW funds accumulated in prior years. However, should Congress or HUD elect to reduce funding during FY 2016 below projected levels, AHA may draw upon MTW funds accumulated in prior years to meet budgeted requirements.

USES OF FUNDS ASSUMPTIONS

AHA projects the use of \$224.6 million to support its FY 2016 Budget, representing a \$13.5 million increase over the FY 2015 Forecast, primarily to support the planned increase in the number of families served in FY 2016.

Housing Assistance and Operating Subsidy Payments (Schedule II)

During FY 2016, AHA projects it will provide Housing Assistance and Operating Subsidy Payments totaling \$146.8 million to various Owner Entities, landlords, tenants and other housing authorities, representing a \$6.9 million increase over the FY 2015 Forecast.

Tenant-Based and Homeownership Vouchers (Schedule II)

The Budget includes \$96.2 million to support AHA's Housing Choice Tenant-Based Voucher Program, a \$4.7 million increase over the FY 2015 Forecast, corresponding primarily to an increase in the number of vouchers leased-up, from 9,200 to 10,221, respectively at fiscal year-end. The total tenant-based and homeownership voucher payment is comprised of the following:

- This Budget anticipates funding a total of 10,221 Housing Choice participant households by the end of FY 2016, a net increase of 1,021 vouchers from the 9,200 vouchers projected to be leased-up by the end of FY 2015. Included in the projected 10,221 vouchers are 8,332 households (\$78.0 million) in AHA's jurisdiction and 1,889 households (\$16.8 million) for whom AHA is responsible, but who reside outside AHA's jurisdiction and have "ported" their voucher to that jurisdiction under HUD's voucher portability policy. In addition, AHA expects to pay \$1.0 million in Voucher Portability Administrative Fees to other public housing authorities to administer these ported vouchers.
 - In its FY 2016 MTW Plan, AHA committed to increasing the total number of families served through all programs from 21,730 (projected by end of FY 2015) to 21,780 households by the end of FY 2016. In order to ensure AHA accomplishes this goal and meets its five-year plan, while offsetting an expected attrition of 600 vouchers, AHA intends to issue 1,474 vouchers to eligible households drawn from AHA's Housing Choice waiting list and also absorb 60 additional participants who "port in" to Atlanta from other PHAs.
 - AHA will continue the implementation of two programs that began in FY 2015. The Tenant-Based Supportive

Housing program (also known as Flow) will add an additional 42 MTW vouchers for individuals graduating from Shelter-Plus Supportive Housing, to bring the total to 50 by the end of FY 2016. Fifteen (15) additional MTW vouchers will be used to support AHA's KickStart program for young adults transitioning from foster care, to bring the total served to 25 by the end of FY 2016.

- In connection to the VASH program, AHA anticipates to have fully leased the 210 vouchers by the end of FY 2015 and start leasing the new 30 vouchers, to be awarded in August 2015, later in FY 2016.
- Included in the Budget is \$0.6 million for AHA's Housing Stabilization Fund (which is also referred to as the "Home Again" program) designed to provide temporary financial assistance to renters who are not participants in other AHA programs.
- The Budget includes \$0.2 million for Leasing Incentive Fees, which will be used to aid AHA in negotiating rental agreements for selected hard-to-house households, where needed.
- This Budget also supports 38 homeownership vouchers for \$0.2 million, which provide payments to eligible homeowners to assist them in making their monthly mortgage payments.

Project Based Rental Assistance (PBRA) (Schedule II.A)

Under the auspices of AHA's PBRA Program, an Owner Entity agrees with AHA to set aside an agreed percentage of units in its housing community in exchange for long-term PBRA assistance for such units, thereby making such units affordable to eligible low-income households.

The FY 2016 Budget includes \$38.8 million in projected PBRA payments, a \$2.8 million increase over the FY 2015 Forecast, to support 5,058 AHA-assisted households (available units at end of FY 2016) at 69 participating mixed-income and supportive housing communities, including a full year of GE Tower new PBRA units (95), which were added in March 2015, and Oasis at Scholars Landing (60), which is expected to come on line in or about June 2015.

The FY 2016 Budget also includes \$1.5 million for expected new PBRA properties totaling 200 units, which result from responses received during FY 2015 to AHA's RFP, and are expected to come on line at various dates during FY 2016, subject to required approvals. The FY 2016 Budget also reflects a \$0.6 million rent increase contingency assuming an average rate of 1.5%.

Mixed-Income Communities Operating Subsidy for AHA-Assisted Units (Schedule II.B)

Each AHA-sponsored mixed-income, mixed-finance rental community is owned by a public/private partnership. As a part of the development agreement, AHA provides operating subsidy for AHA-assisted units. The Budget includes \$11.9 million in operating subsidy to support 2,221 households at 34 AHA-sponsored mixed-use, mixed-income properties, representing a \$0.6 million decrease from the FY 2015 Forecast primarily due to the full benefit of the change in funding methodology implemented in 2014. Included in the FY 2016 Budget are operating and capital reserve contingencies totaling \$0.8 million to support potential "true-ups" and rent increases.

Operating Divisions Expense (Schedule III)

The Budget includes \$13.6 million for AHA's Operating Divisions, a \$0.8 million or 6.2% increase over the FY 2015 Forecast, primarily due to vacancies in the Office of the Chief Real Estate Officer and required support from the Customer Services Group – Housing and Inspections Services for the projected increase in voucher lease-up activities during FY 2016. The Operating Divisions include:

- The **Customer Services Group (CSG)**, with a FY 2016 Budget of \$8.5 million, a \$0.2 million increase over the FY 2015 Forecast, manages the various components of AHA's Tenant-Based Voucher program and includes the departments of Customer Services (Group Administration), Housing Services, Inspections Services and Human Development Services. This group is responsible for comprehensive service delivery as well as monitoring the work compliance program for all AHA's Housing Choice participants. This group is a one-stop shop where clients' needs will be assessed and services effectively delivered through strategic partnership with highly skilled service providers.
- The **Real Estate Group (REG)**, with a FY 2016 Budget of \$5.1 million, an increase of \$0.5 million over the FY 2015 Forecast due to previously mentioned vacancies and increased activities with RAD conversions and financial closings. REG includes three main functions in addition to the Office of the Chief Real Estate Officer:
 - **Real Estate Development** manages AHA's development, acquisition and revitalization activities.

- **Real Estate Oversight & Services** provides property management oversight for AHA-owned residential communities, AHA-assisted units at MIMF communities and AHA's portfolio of PBRA communities.
- **Real Estate Investments & Finance** manages AHA's Homeownership Program, provides asset and financial management for mixed-income communities and AHA's portfolio of PBRA communities as well as market and financial analysis support to the Real Estate Group and other AHA departments.

Corporate Support Expense (Schedule IV)

The Budget provides \$20.1 million for Corporate Support Expense, a \$1.3 million decrease from the FY 2015 Forecast and a \$4.0 million or 16.6 % decrease from the FY 2015 Budget, primarily due to cost reductions resulting from decreases in headcount and temporary services, consulting & professional services, and various administration expenses as well as the completion of the ERP program. Corporate Support includes the following departments:

- **Executive Office** provides strategic leadership and enterprise-wide guidance.
- **Office of General Counsel** provides legal support through in-house counsel and external legal services.
- **Finance** provides financial leadership and services including accounting, treasury, budgeting and forecasting, external and internal financial reporting in compliance with various regulatory requirements, tax reporting as well as internal control oversight and guidance.
- **Information Technology (IT)** leads the technology strategy for AHA including the design, implementation, optimization

and management of the systems, including the ERP, required to support AHA's operations. This department also provides day-to-day IT support to the enterprise including AHA-owned residential communities, as well as system and data security. IT also provides supervision to the Records & Information Management and Enterprise Program Management Office departments, which are further described below.

- **Records & Information Management** leads the enterprise-wide document management capability and the centralized management of AHA's records and provide shared services to all AHA departments, with the ultimate goal of substantially reducing the use of paper and storage cost. This group supports the life-cycle management of AHA's physical and electronic documents/records and also provides printing, copying and other administrative services.
- **Enterprise Program Management Office** provides best practice project management services and tools for the enterprise and facilitates communication, decision-making and alignment with strategic objectives to ensure projects are completed on time and within budget. This department is organized for scalability with a lean core team which can staff-up depending of project activity level.
- **Office of Policy & Strategy** leads the development and oversight of corporate policies and the standardization of procedures, leads strategic planning, and drives strategic goal setting and tracking at the enterprise level. This department is accountable for the acquisition of public and private funding sources that support AHA's strategic priorities.

- **External & Governmental Affairs & Corporate Communications** cultivates and manages AHA's relationships with local government and community stakeholders. The department promotes and maintains the enterprise standard for all communications, and develops and executes AHA's enterprise-wide communications strategy which includes the company's internet, intranet and various media for AHA constituents.
- **Corporate Administrative Support** provides supervision to Acquisition & Management Services and Human Resources Operations, which are described below. It also has the responsibility for enterprise-wide risk management and insurance as well as manages special administrative projects.
 - **Acquisition & Management Services** leads AHA's contracting and procurement function. This department is also responsible for AHA's diversity, labor and other regulatory compliance tracking and reporting (i.e. Minority and Women Business Enterprises statistics, Davis-Bacon, e-Verify).
 - **Human Resources Operations** leads the people strategy for the enterprise including the organization design, recruitment, talent management, training and professional development. This department also manages payroll, employee benefits and pension plans.
- **Activities Managed by Human Resources** is limited in FY 2016 to Severance and Related Expense and Defined Benefit Pension Plan Contribution as the other activities, presented separately in FY 2015, have either been included in the Corporate Administration Support, Human Resources or respective departments where applicable.

AHA's Employee Compensation

The FY 2016 Budget includes salaries and benefits for 256 permanent and temporary employees up from 250 in the FY 2015 Budget, primarily due to new positions or the conversion of contractual to either temporary or permanent positions to support the increase in voucher lease-up activities planned for FY 2016.

The Budget assumes a merit increase totaling \$0.5 million, effective September 1, 2015, at 2.5% for employees receiving a performance review rating of meeting expectations and 3.5% for employees receiving an exceptional rating. See also section "Employee Compensation Special Funding Restrictions" below for funding restrictions.

The Budget also provides for employer-paid benefits at the same employee/employer ratio as in FY 2015 and a projected 10% increase in major health care plan costs during the last six months of FY 2016.

Employee Compensation Special Funding Restrictions

The 2015 Appropriations Act restricts the use of Public Housing Operating Subsidy, Capital Fund Program and Housing Choice Voucher Program funds for the payment of salaries to employees of local housing authorities who earn in excess of \$158,700 annually (2014 - \$157,100). AHA projects that it will pay approximately \$0.6 million during FY 2016 in excess of the Congressional limit in connection with compensation paid during calendar year 2015. In accordance with the guidance from HUD, AHA will continue to pay the excess compensation from eligible non-federal sources.

Human Development Support and Community Relations (Schedule V)

AHA projects total spending of \$1.5 million, a \$0.3 million increase over the FY 2015 Forecast, for programs and activities that facilitate access to Human Development services for AHA-assisted households, in order for Housing Choice families that are not compliant with AHA's work compliance program to achieve self-sufficiency. These services are in addition to those provided directly by private management and development companies at AHA-owned residential communities and AHA's Customer Services Group - Human Development Services department.

The FY 2016 Human Development Support includes \$1.1 million for the provision of intensive case management for families with complex needs, the Good Neighbor training program, Aging Well programs for seniors, supportive services and activities for youth which are primarily provided through contracted service providers.

Operating Expense for AHA-Owned Residential Communities and Other AHA Properties (Schedule VI)

AHA projects to spend \$15.0 million to operate AHA-owned residential communities, including human development services at those communities, representing a \$1.1 million decrease from the FY 2015 Forecast, primarily due to lower maintenance and protective services expense.

In addition, the Budget provides for a total of \$2.4 million to operate other AHA properties in Payments in Lieu Of Taxes (PILOT), property maintenance and protective services at AHA Headquarters and other AHA properties, essentially at the same level as the FY 2015 Forecast, as the cost savings resulting from

the change of property management company at AHA Headquarters during FY 2015 are offset by higher PILOT and other AHA land expense.

Preservation of AHA-Owned Residential Communities and AHA Headquarters Capital Expenditures (Schedule VII)

AHA projects that it will spend \$1.0 million in FY 2016, a decrease of \$3.0 million from the FY 2015 Forecast, to make critical and necessary capital improvements to preserve the physical conditions of its AHA-owned residential communities, which are not subject to an imminent RAD conversion.

AHA also projects to spend \$0.3 million on other capital expenditures during FY 2016 for various technology investments to maintain and optimize AHA enterprise-wide operations.

Development and Revitalization (Schedule VIII)

AHA projects that it will spend \$22.3 million in FY 2016, a \$10.0 million increase over the FY 2015 Forecast. The main components of the FY 2016 Budget are as follows:

- Development and revitalization activities for \$18.0 million as AHA and its private-sector development partners continue to advance the master plans for eight AHA-sponsored master-planned, mixed-use, mixed-income communities, including primarily Scholars Landing and West Highlands. Please refer to Schedule VIII.A for additional details by community/property.
- Predevelopment and development loans for the conversion of selected AHA-owned and AHA-supported units at mixed-income communities to AHA-PBRA units under HUD's

RAD program for \$2.8 million. These communities include Cheshire Bridge Highrise, Cosby Spear Highrise, Juniper and 10th Highrise, Piedmont Road Highrise and Villages at East Lake I & II. Financial closings are projected for Piedmont Road Highrise and Villages at East Lake I & II in the later part of FY 2016. Please refer to Schedule VIII.A.1 for additional details by community.

- Exploration of opportunities for the development of other AHA-owned properties and homeownership down payment program for \$1.5 million. More specifically, during FY 2016, AHA projects to complete its comprehensive real estate strategy in order to establish priorities for its real estate development. Please refer to Schedule VIII.A.2 for additional details by property.

In order to execute its FY 2016 development and revitalization plan, AHA projects the use of RHF grants for \$6.7 million, public improvements funds provided by the City of Atlanta and other City Agencies for \$2.2 million and MTW funds for \$7.0 million as well as funds restricted for revitalization activities accumulated in prior years for \$6.4 million. As mentioned previously, pursuant to its cash management policy, AHA optimizes the use of available funds by taking into consideration statutory and regulatory restrictions and deadlines.

ERP Solution (Schedule IX)

With the stabilization of the ERP and expected completion of the Business Transformation in FY 2015, budgeted FY 2016 expenses associated with the remaining optimization of the ERP (Yardi) and operation processes have been included in the Information Technology and respective AHA's departments where applicable. Please refer to Schedule IX.A for a final report

on the ERP Program Spending and financial performance against the June 2012 Board Approved Budget.

Debt Service on Energy Performance Contract (EPC) Capital Lease (Sources and Uses of Funds Schedule)

In FY 2012, AHA entered into an Energy Performance Contract (EPC), which used a \$9.1 million EPC capital lease along with supplemental MTW funds to further implement energy conservation and efficiency solutions at the AHA-owned residential communities. These improvements were substantially completed in FY 2014. The FY 2016 normal debt service for the EPC capital lease is expected to amount to \$0.7 million. In addition, AHA projects to make an EPC capital lease reimbursement of \$1.0 million in connection with the RAD conversion of Piedmont Road Highrise. HUD's EPC program provides for continued HUD subsidy funding at the utility consumption rates existing prior to the improvements. Utility savings realized from these improvements, therefore, cover the debt service.

RECLASSIFICATIONS WITHIN THE FY 2016 BUDGET

The FY 2016 Budget Resolution authorizes AHA to reallocate between funding sources, business lines, departments and accounts, as necessary, to execute the FY 2016 Annual MTW Plan as long as AHA remains within the FY 2016 Budget spending (uses) authority approved by the Board of Commissioners.

ACTUAL TO BUDGET REPORTING

At least quarterly, AHA will provide reports to the Board of Commissioners of actual sources and uses of funds against the FY 2016 Budget and explain significant variances.

BUDGET RISKS

The FY 2016 Budget is based on a number of assumptions, which have been addressed earlier in this document. Should these assumptions not occur as described, there will be impacts on the ability of AHA to execute this budget. The significant assumptions and the related risks are as follows:

- AHA's funding from HUD is based on the assumption that Congress will fund FFY 2016 essentially at the same levels as for FFY 2015. Should Congress elect to reduce funding levels, the Excess funds which are forecasted to be held at HUD would be reduced accordingly.
- The Budget forecasts an excess of sources over uses of \$18.0 million which will be held at HUD and be available for AHA future uses. This assumes HUD will execute its current plan to reduce the levels of PHA-held funds and hold the authorized funds at HUD, and remain designated for AHA.
- The Budget was developed on the assumption that the economy of Atlanta will remain relatively stable in the next 12-18 months. Changes in the economy affect both the availability and affordability of housing. The Budget assumes AHA will be able to lease-up over 1,500 new tenant-based Housing Choice voucher participants in FY 2016 before attrition. This requires the level of qualified

units exist at affordable rates that are acceptable to the participants. If such a level of affordable housing does not exist, AHA may not be able to lease-up and meet the budgeted HAP levels.

- The economy may also have an impact on AHA's Development and Revitalization program as demand for construction assets may be affected and the availability of suitable homebuyer opportunities change.
- The Budget assumes that AHA will be able to negotiate and contract with new Owner-entities for an additional 200 PBRA units for an average of ten months in FY 2016. Should AHA not enter into these contracts as projected, AHA may not meet its budget for PBRA expenses.
- The Budget also assumes that AHA partners will be able to obtain financing for the conversion of several AHA-owned communities and AHA-supported units at mixed income properties; and that HUD will grant approval for the properties to convert under the RAD program. If these financings and related agreements do not occur, including delays in obtaining HUD's approval, AHA may not meet its budget for RAD conversion.



The Housing Authority of the City of Atlanta

**Comprehensive Budget
Financial Schedules**

**For the Fiscal Year
Beginning July 1, 2015 and Ending June 30, 2016**

Approved by AHA's Board of Commissioners at the June 16, 2015 Meeting

The Housing Authority of the City of Atlanta, Georgia

Sources and Uses of Funds

FY2016 Budget

(Excludes Non-cash Items)

Schedule	FY 2016	FY 2015	FY 2016 B	FY 2015	FY 2016 B
	Budget	Budget	Over (Under) FY 2015 B	Forecast	Over (Under) FY 2015 F
Sources of Funds					
Current Year Sources of Funds *					
Housing Choice Voucher Program Funds	\$ 202,159,540	\$ 200,137,526	\$ 2,022,014	\$ 200,137,526	\$ 2,022,014
Public Housing Operating Subsidy	14,516,440	14,960,730	(444,290)	19,867,630	(5,351,190)
Capital Funds Program (CFP)	3,921,890	3,690,380	231,510	3,690,380	231,510
Total MTW Single Fund	220,597,870	218,788,636	1,809,234	223,695,536	(3,097,666)
Tenant Dwelling Revenue	5,828,230	5,691,019	137,211	5,857,323	(29,093)
Replacement Housing Factor (RHF) Grants	6,714,635	7,397,034	(682,399)	5,593,494	1,121,141
Choice Neighborhoods Implementation Grant**	-	1,705,299	(1,705,299)	-	-
National Housing Compliance (NHC)	630,900	500,000	130,900	630,843	57
Development-related Fees	904,551	820,814	83,737	820,814	83,737
Other Current Year Revenue and Grants	292,305	205,425	86,881	1,259,784	(967,479)
Non-Operating Sources of Funds	-	-	-	412,038	(412,038)
Total Current Year Sources of Funds	234,968,492	235,108,227	(139,735)	238,269,832	(3,301,340)
Sources of Funds from Prior year Accumulations*					
Drawdown of Funds Restricted for Revitalization Activities	6,400,190	6,915,058	(514,868)	2,694,458	3,705,732
Drawdown of Prior Year NHC Funds for Non-MTW Activities	-	268,114	(268,114)	420,000	(420,000)
Public Improvement Funds Provided by the City of Atlanta and Other City Agencies	2,154,515	555,000	1,599,515	56,368	2,098,147
Total Sources of Funds from Prior Year Accumulations	8,554,705	7,738,172	816,533	3,170,826	5,383,879
Total Sources of Funds	\$ 243,523,197	\$ 242,846,399	\$ 676,798	\$ 241,440,658	\$ 2,082,539

* Current Year Sources of Funds refers to funds which AHA receives or is entitled to receive, in the case of Housing Choice Voucher Program Funds, from HUD and external sources during the current fiscal year. Sources of Funds from Prior Year Accumulations include the use of non-MTW funds cash balances available to AHA at the beginning of the fiscal year.

** The FY 2016 Budget does not include any sources and uses of funds associated with the 2014 Choice Neighborhoods Implementation Grant, for which AHA and the City of Atlanta jointly applied in February 2015, pending awardee announcement by HUD expected in or about September 2015.

This schedule is continued on the following page.

Sources and Uses of Funds

FY2016 Budget

(Excludes Non-cash Items)

Continued from previous page

Schedule		FY2016 Budget Request	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
	Uses of Funds					
	Housing Assistance and Operating Subsidy Payments					
	Tenant-Based and Homeownership Vouchers	\$ 96,169,624	\$ 98,012,886	\$ (1,843,262)	\$ 91,503,959	\$ 4,665,665
	Project Based Rental Assistance (PBRA)	38,793,354	36,421,291	2,372,063	35,995,531	2,797,823
	Mixed-Income Communities Operating Subsidy for AHA-Assisted Units	11,858,230	12,856,947	(998,717)	12,456,393	(598,163)
II	Total Housing Assistance and Operating Subsidy Payments	146,821,208	147,291,124	(469,916)	139,955,883	6,865,325
III	Operating Divisions	13,637,001	12,734,697	902,304	12,875,694	761,307
IV	Corporate Support	20,070,291	22,973,053	(2,902,762)	20,580,950	(510,659)
V	Human Development Support and Community Relations	1,514,412	2,816,432	(1,302,020)	1,217,617	296,795
VI	Operating Expense for AHA-Owned Residential Communities & Other AHA Properties	17,280,994	18,336,022	(1,055,028)	18,405,053	(1,124,059)
VII	Capital Expenditures for Preservation of AHA-Owned Residential Communities & AHA Headquarters	1,283,080	4,914,000	(3,630,920)	4,321,759	(3,038,679)
VIII	Development and Revitalization	22,307,899	31,254,346	(8,946,447)	12,283,130	10,024,769
IX	ERP Solution	-	1,059,400	(1,059,400)	763,120	(763,120)
	Debt Service on Energy Performance Contract (EPC) Capital Lease	1,658,510	646,510	1,012,000	646,510	1,012,000
	Total Operating Expenses	77,752,187	94,734,460	(16,982,273)	71,093,833	6,658,354
	Total Uses of Funds	224,573,395	242,025,584	(17,452,189)	211,049,716	13,523,679
	Excess of Sources over Uses of Funds*	\$ 18,949,802	\$ 820,815	\$ 18,128,987	\$ 30,390,942	\$ (11,441,140)
	* The Excess of Funds above are available for future uses and to be held as follows:					
	Housing Choice Voucher Program Funds held at HUD	\$ 18,045,251	\$ -	\$ 18,045,251	\$ 29,264,097	\$ (11,218,846)
	Development-Related Funds held at AHA	904,551	820,815	83,736	1,126,845	(222,294)
	Excess of Sources over Uses of Funds	\$ 18,949,802	\$ 820,815	\$ 18,128,987	\$ 30,390,942	\$ (11,441,140)

Schedule I

Sources & Uses of Funds by Major Activities and Programs FY2016 Budget

	MTW Program	Housing Compliance (NHC)	Revitalization Program	FY 2016 Budget
Sources of Funds				
Current Year Sources of Funds				
Housing Choice Voucher Program Funds	\$ 202,159,540	\$ -	\$ -	\$ 202,159,540
Public Housing Operating Subsidy	14,516,440	-	-	14,516,440
Capital Funds Program (CFP)	3,921,890	-	-	3,921,890
Total MTW Single Funds	220,597,870	-	-	220,597,870
Tenant Dwelling Revenue	5,828,230	-	-	5,828,230
Replacement Housing Factor (RHF) Grants	-	-	6,714,635	6,714,635
Choice Neighborhoods Implementation Grant**	-	-	-	-
National Housing Compliance (NHC)	-	630,900	-	630,900
Development-related Fees	-	-	904,551	904,551
Other Current Year Revenue and Grants	292,305	-	-	292,305
Total Current Year Sources of Funds	226,718,406	630,900	7,619,186	234,968,492
Sources of Funds from Prior Year Accumulations				
Drawdown of Funds Restricted for Revitalization Activities	-	-	6,400,190	6,400,190
Public Improvement Funds Provided by the City of Atlanta and Other City Agencies	-	-	2,154,515	2,154,515
Total Sources of Funds from Prior Year Accumulations	-	-	8,554,705	8,554,705
Total Sources of Funds	\$ 226,718,406	\$ 630,900	\$ 16,173,891	\$ 243,523,197
Uses of Funds				
Total Housing Assistance and Operating Subsidy Payments	\$ 146,821,208	\$ -	\$ -	\$ 146,821,208
Operating Divisions	13,583,226	53,775	-	13,637,001
Corporate Support	19,504,866	565,425	-	20,070,291
Human Development Support and Community Relations	1,502,712	11,700	-	1,514,412
Operating Expense for AHA-Owned Residential Communities & Other AHA Properties	17,280,994	-	-	17,280,994
Capital Expenditures for Preservation of AHA-Owned Residential Communities & AHA Development and Revitalization	1,283,080	-	-	1,283,080
Debt Service on Energy Performance Contract (EPC) Capital Lease	7,038,559	-	15,269,340	22,307,899
	1,658,510	-	-	1,658,510
Total Uses of Funds	208,673,155	630,900	15,269,340	224,573,395
Excess of Sources over Uses of Funds*	\$ 18,045,251	\$ -	\$ 904,551	\$ 18,949,802
* The Excess of Funds above are available for future uses and to be held as follows:				
Housing Choice Voucher Funds held at HUD	\$ 18,045,251	\$ -	\$ -	\$ 18,045,251
Development-Related Funds held at AHA	-	-	904,551	904,551
Excess of Sources over Uses of Funds	\$ 18,045,251	\$ -	\$ 904,551	\$ 18,949,802

Schedule II
Housing Assistance and Operating Subsidy Payments
FY2016 Budget

Schedule	FY 2016	FY 2015	FY 2016 B	FY 2015	FY 2016 B
	Budget	Budget	Over (Under) FY 2015 B	Forecast	Over (Under) FY 2015 F
Tenant-Based and Homeownership Vouchers					
In Jurisdiction Tenant-Based Vouchers	\$ 77,959,573	\$ 77,015,998	\$ 943,575	\$ 73,155,195	\$ 4,804,378
Out of Jurisdiction (Port Out) Tenant-Based Vouchers	16,817,330	19,325,210	(2,507,880)	16,994,208	(176,878)
Voucher Portability Administrative Fees	983,877	1,136,677	(152,800)	964,667	19,210
Leasing Incentive Fees	160,000	100,000	60,000	120,907	39,093
Homeownership Vouchers	248,844	435,000	(186,156)	268,982	(20,138)
Total	96,169,624	98,012,886	(1,843,262)	91,503,959	4,665,665
II.A Project Based Rental Assistance (PBRA)	38,793,354	36,421,291	2,372,063	35,995,531	2,797,823
II.B Mixed-Income Communities Operating Subsidy for AHA-Assisted Units	11,858,230	12,856,947	(998,717)	12,456,393	(598,163)
Total	\$ 146,821,208	\$ 147,291,124	\$ (469,916)	\$ 139,955,883	\$ 6,865,325

The Housing Authority of the City of Atlanta, Georgia
FY 2016 Budget

Schedule II.A (1 of 2)
Project-Based Rental Assistance (PBRA)

Community	FY 2016 Budget	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
Adamsville Green	\$ 580,623	\$ 579,331	\$ 1,292	\$ 581,721	\$ (1,098)
Arcadia At Parkway Village	780,928	784,958	(4,030)	784,768	(3,840)
Ashley Auburn Pointe I	78,220	86,094	(7,874)	82,129	(3,909)
Ashley Collegetown II	79,302	82,078	(2,776)	79,148	154
Ashley Courts At Cascade II	15,345	16,320	(975)	15,415	(70)
Ashton At Browns Mill	544,836	544,228	608	539,289	5,547
Atrium At Collegetown	904,508	925,456	(20,948)	900,611	3,897
Auburn Glenn	1,226,837	1,222,446	4,391	1,214,397	12,440
Avalon Park Family	530,727	549,826	(19,099)	529,394	1,333
Avalon Park Senior	1,265,537	1,239,317	26,220	1,253,710	11,827
Avalon Ridge Family	771,479	731,752	39,727	774,099	(2,620)
Campbell Stone	1,404,273	1,431,217	(26,944)	1,407,333	(3,060)
Capitol Gateway II	181,177	191,674	(10,497)	182,700	(1,523)
Centennial Place Phase I	387,561	385,049	2,512	379,795	7,766
Centennial Place Phase II	367,965	354,873	13,092	347,125	20,840
Centennial Place Phase III	347,832	356,544	(8,712)	348,712	(880)
Centennial Place Phase IV	356,069	327,801	28,268	355,748	321
Columbia At Sylvan Hills	561,292	575,866	(14,574)	560,000	1,292
Columbia Colony Senior	432,752	425,807	6,945	434,796	(2,044)
Columbia Commons	104,980	95,789	9,191	103,680	1,300
Columbia Heritage	1,038,876	1,038,455	421	1,038,733	143
Columbia High Point Senior	575,574	579,944	(4,370)	572,535	3,039
Columbia Mechanicsville Apartments	337,615	319,524	18,091	338,385	(770)
Columbia Senior Blackshear	533,326	540,457	(7,131)	536,893	(3,567)
Columbia Senior Edgewood	1,271,562	1,279,535	(7,973)	1,273,444	(1,882)
Columbia Senior Mechanicsville	625,217	640,842	(15,625)	615,035	10,182
Columbia Senior Milk	842,295	827,332	14,963	845,355	(3,060)
Columbia South River Gardens	361,154	383,950	(22,796)	365,094	(3,940)
Columbia Tower At MLK Village	727,260	723,066	4,194	722,407	4,853
Constitution Avenue Apartments	499,222	516,050	(16,828)	498,950	272
Crogman School Apartments	298,804	301,111	(2,307)	300,557	(1,753)
First Step	210,769	234,306	(23,537)	213,632	(2,863)
Gateway at East Point	702,422	691,103	11,319	709,205	(6,783)
GE Towers	1,506,820	629,592	877,228	774,555	732,265
Heritage Green	298,369	279,295	19,074	297,699	670

Continued on next page

The Housing Authority of the City of Atlanta, Georgia
FY 2016 Budget

Schedule II.A (2 of 2)					
Project-Based Rental Assistance (PBRA)					
Community	FY 2016 Budget	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
Heritage Station Family	783,608	801,350	(17,742)	779,600	4,008
Heritage Station Senior	1,247,695	1,270,594	(22,899)	1,249,592	(1,897)
Highbury Terraces	116,886	124,264	(7,378)	115,366	1,520
Imperial Hotel	888,954	711,084	177,870	843,891	45,063
Legacy at Walton Lake	191,444	192,113	(669)	191,886	(442)
Manor at Scotts Crossing	720,843	716,742	4,101	725,509	(4,666)
Mechanicsville Crossing	289,927	269,598	20,329	290,530	(603)
Mechanicsville Station	348,385	348,362	23	351,476	(3,091)
Oasis at Scholars Landing (New in FY 2016)	434,940	-	434,940	-	434,940
Odyssey At Villas	221,656	235,442	(13,786)	225,920	(4,264)
O'Hearn House	259,163	291,259	(32,096)	270,943	(11,780)
Park Commons-Gates Park (HFOP)	1,020,803	1,042,117	(21,314)	1,020,693	110
Park Commons-Gates Park (HFS)	805,153	793,697	11,456	806,453	(1,300)
Parkside At Mechanicsville	311,788	301,643	10,145	307,643	4,145
Pavilion Place	337,602	338,561	(959)	338,365	(763)
Peaks At MLK	634,854	622,279	12,575	642,508	(7,654)
Quest Village III	76,990	80,242	(3,252)	76,672	318
Renaissance At Park Place South Senior	665,474	661,976	3,498	665,110	364
Retreat At Edgewood	438,341	395,471	42,870	412,235	26,106
Seven Courts	185,673	204,326	(18,653)	183,248	2,425
Summit Trail	265,453	285,814	(20,361)	244,524	20,929
Veranda At Auburn Pointe	687,824	660,092	27,732	665,471	22,353
Veranda At Auburn Pointe II	871,758	894,444	(22,686)	886,937	(15,179)
Veranda At Auburn Pointe III	912,098	916,678	(4,580)	910,119	1,979
Veranda At Carver Senior	737,395	743,555	(6,160)	736,538	857
Veranda At Collegetown	691,498	692,454	(956)	689,442	2,056
Veranda at Scholars Landing	781,767	960,505	(178,738)	788,103	(6,336)
Villas Of H.O.P.E	232,531	228,014	4,517	231,452	1,079
Welcome House	154,516	130,156	24,360	148,963	5,553
Woodbridge At Parkway Village	702,359	729,463	(27,104)	696,124	6,235
Woods at Glenrose (Discontinued in FY 2015)	-	173,866	(173,866)	20,355	(20,355)
Other new PBRA in FY 2016	1,474,448	-	1,474,448	-	1,474,448
Contingency for rent increases	550,000	714,143	(164,143)	502,814	47,186
Total Project-Based Rental Assistance (PBRA) Payments	\$ 38,793,354	\$ 36,421,292	\$ 2,372,062	\$ 35,995,531	\$ 2,797,823

The Housing Authority of the City of Atlanta, Georgia

FY 2016 Budget

Schedule II.B Mixed-Income Communities Operating Subsidy for AHA-Assisted Units

Community	FY 2016	FY 2015	FY 2016 B	FY 2015	FY 2016 B
	Budget	Budget	Over (Under) FY 2015 B	Forecast	Over (Under) FY 2015 F
Ashley Auburn Pointe I	\$ 251,825	\$ 269,443	\$ (17,618)	\$ 279,052	\$ (27,227)
Ashley Auburn Pointe II	163,352	173,690	(10,338)	330,712	(167,360)
Ashley Collegetown	285,807	319,231	(33,424)	295,834	(10,027)
Ashley Collegetown II	301,753	320,131	(18,378)	318,522	(16,769)
Ashley Courts at Cascade I	275,664	338,972	(63,308)	308,890	(33,226)
Ashley Courts at Cascade II	182,144	188,264	(6,120)	182,814	(670)
Ashley Courts at Cascade III	138,994	148,388	(9,394)	140,657	(1,663)
Ashley Terrace At West End	75,492	72,790	2,702	51,013	24,479
Atrium At Collegetown	511,235	449,495	61,740	519,025	(7,790)
Capitol Gateway I	352,737	381,386	(28,649)	361,804	(9,067)
Capitol Gateway II	230,632	265,446	(34,814)	239,496	(8,864)
Columbia Commons	284,977	274,439	10,538	282,339	2,638
Columbia Creste	305,888	327,678	(21,790)	313,241	(7,353)
Columbia Estates	336,320	297,387	38,933	311,792	24,528
Columbia Grove	245,310	218,354	26,956	230,060	15,250
Columbia Mechanicsville Apartments	393,379	326,866	66,513	397,409	(4,030)
Columbia Park Citi	356,702	370,462	(13,760)	356,034	668
Columbia Senior Residences at Mechanicsville	255,493	225,099	30,394	241,309	14,184
Columbia Village	162,646	125,165	37,481	127,972	34,674
Gardens at Collegetown	175,518	192,000	(16,482)	173,343	2,175
Magnolia Park I	326,230	504,017	(177,787)	464,142	(137,912)
Magnolia Park II	368,397	474,596	(106,199)	447,250	(78,853)
Mechanicsville Crossing	358,986	334,986	24,000	355,985	3,001
Mechanicsville Station	350,540	325,128	25,412	321,824	28,716
Parkside at Mechanicsville VI	273,326	272,201	1,125	265,159	8,167
Veranda at Auburn Pointe	117,874	127,483	(9,609)	123,782	(5,908)
Villages at Carver I	497,977	643,646	(145,669)	582,814	(84,837)
Villages at Carver II	146,529	169,023	(22,494)	152,215	(5,686)
Villages at Carver III	441,070	550,468	(109,398)	492,521	(51,451)
Villages at Carver V	259,587	363,408	(103,821)	300,460	(40,873)
Villages at Castleberry Hill I	324,130	312,292	11,838	339,937	(15,807)
Villages at Castleberry Hill II	412,534	323,025	89,509	443,844	(31,310)
Villages of East Lake I	710,512	607,451	103,061	702,319	8,193
Villages of East Lake II	1,184,670	1,136,537	48,133	1,251,561	(66,891)
Capital Reserve Contingency	300,000	400,000	(100,000)	-	300,000
Operating Contingency	500,000	1,028,000	(528,000)	751,262	(251,262)
Total Mixed-Income Communities Operating Subsidy for AHA-Assisted Units	\$ 11,858,230	\$ 12,856,947	\$ (998,717)	\$ 12,456,393	\$ (598,163)

Schedule III*
Operating Divisions Expense
FY2016 Budget

	FY 2016 Budget	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
Customer Services Group					
Customer Services	\$ 1,393,065	\$ 1,351,775	\$ 41,290	\$ 1,602,777	\$ (209,712)
Housing Services	4,379,372	3,956,731	422,641	4,337,939	41,433
Inspections Services	1,973,239	1,616,780	356,459	1,736,306	236,933
Human Development Services	808,203	737,545	70,658	681,008	127,195
Total Customer Services Group	8,553,879	7,662,831	891,048	8,358,030	195,849
Real Estate Group					
Office of the Chief Real Estate Officer	412,270	389,946	22,324	1,071	411,199
Real Estate Development	1,064,510	1,012,559	51,951	800,771	263,739
Real Estate Oversight & Services	1,931,976	1,753,362	178,614	1,663,204	268,772
Real Estate Investments & Finance	1,674,366	1,340,291	334,075	1,528,170	146,196
Total Real Estate Group	5,083,122	4,496,158	586,964	3,993,216	1,089,906
Operations Support Group **	-	575,708	(575,708)	524,448	(524,448)
Total	\$ 13,637,001	\$ 12,734,697	\$ 902,304	\$ 12,875,694	\$ 761,307

* Please refer to Schedule III.A for FY 2016 budgeted Operating Divisions Expense by category

** In FY 2016, the Operations Support Group department expense is reallocated to Real Estate Oversight & Services, Corporate Administration Support and CSG - Inspection Services departments.

**The Housing Authority of the City of Atlanta, Georgia
FY 2016 Budget**

Schedule III.A					
Operating Divisions Expense by Category					
	Salaries, Benefits & Taxes	Consulting & Professional Services *	Temporary Services *	Other *	Total FY 2016 Budget
Customer Services Group					
Customer Services	\$ 1,375,415	\$ -	\$ -	\$ 17,650	\$ 1,393,065
Housing Services	4,050,899	230,639	59,584	38,250	4,379,372
Inspections Services	1,855,240	60,499	-	57,500	1,973,239
Human Development Services	799,803	-	-	8,400	808,203
Total Customer Services Group	8,081,357	291,138	59,584	121,800	8,553,879
Real Estate Group					
Office of the Chief Real Estate Officer	402,975	-	-	9,295	412,270
Real Estate Development	932,085	100,000	-	32,425	1,064,510
Real Estate Oversight & Services	1,605,580	285,817	-	40,579	1,931,976
Real Estate Investments & Finance	1,514,386	130,200	-	29,780	1,674,366
Total Real Estate Group	4,455,026	516,017	-	112,079	5,083,122
Total Operating Divisions Expense	\$ 12,536,383	\$ 807,155	\$ 59,584	\$ 233,879	\$ 13,637,001

* Please refer to "Support for Schedule III.A" at the end of this report for additional details of each expense category.

Schedule IV*
Corporate Support Expense
FY2016 Budget

Description	FY 2016	FY 2015	FY 2016 B	FY 2015	FY 2016 B
	Budget	Budget	Over (Under) FY 2015 B	Forecast	Over (Under) FY 2015 F
Executive Office	\$ 589,519	\$ 691,952	\$ (102,433)	\$ 722,483	\$ (132,964)
Office of General Counsel	2,463,279	2,557,179	(93,900)	2,497,533	(34,254)
Finance	1,775,431	2,195,183	(419,752)	1,756,395	19,036
Information Technology	6,385,799	7,159,304	(773,506)	6,299,720	86,079
Records & Information Management	2,052,874	2,391,629	(338,755)	2,144,590	(91,716)
Enterprise Program Management Office	507,788	640,590	(132,802)	541,044	(33,256)
Office of Policy & Strategy	1,329,543	1,575,992	(246,449)	1,408,664	(79,121)
External and Governmental Affairs & Corporate Communications	763,591	696,174	67,417	591,547	172,044
Corporate Administration Support	1,090,771	612,892	477,879	346,941	743,830
Acquisition & Management Services	1,046,812	1,030,180	16,632	1,005,319	41,493
Human Resources Operations	1,010,384	1,033,511	(23,127)	935,201	75,183
Activities Managed by Human Resources:					
Professional Development & Training **	-	406,000	(406,000)	241,000	(241,000)
Business Transformation & Change Management ***	-	106,300	(106,300)	-	-
HR Technology Solutions***	-	50,000	(50,000)	50,000	(50,000)
Recruitment Fees*****	-	100,000	(100,000)	125,000	(125,000)
Risk Management*****	-	361,167	(361,167)	451,000	(451,000)
Pension Consulting Services*****	-	100,000	(100,000)	60,000	(60,000)
Agency-wide Temporary Services *****	-	100,000	(100,000)	125,000	(125,000)
Severance & Related Expense	54,500	165,000	(110,500)	279,513	(225,013)
Defined Benefit Pension Plan Contribution	1,000,000	1,000,000	-	1,000,000	-
Total	\$ 20,070,291	\$ 22,973,053	\$ (2,902,762)	\$ 20,580,950	\$ (510,659)

* Please refer to Schedule IV.A for FY 2016 budgeted Corporate Support Expense by category.

** In FY 2016, Professional Development & Training expense is included in Human Resources for agency-wide training, otherwise included in respective departments if specific to the department.

*** With the stabilization of the ERP and expected completion of the Business Transformation in FY 2015, expenses associated with the remaining optimization of the ERP (Yardi) and operation processes are included in the Information Technology department and respective AHA's departments in FY 2016 where applicable.

**** In FY 2016, HR Technology Solutions expense is included in Information Technology and Human Resources departments where applicable.

***** In FY 2016, Recruitment Fees and Pension Consulting expense are included in Human Resources.

***** In FY 2016, Risk Management expense is included in Corporate Administration Support.

***** Agency-wide Temporary Services is eliminated in FY 2016 and Temporary Services expense included in respective AHA's departments where applicable.

The Housing Authority of the City of Atlanta, Georgia
FY 2016 Budget

Schedule IV.A

Corporate Support Expense by Category

	Salaries, Benefits & Taxes	Consulting & Professional Services *	Temporary Services *	Software Licenses & Hardware/ Software Expense *	Agency-wide Services and Expenses *	Other *	Total FY 2016 Budget
Executive Office	\$ 475,530	\$ -	\$ -	\$ -	\$ -	\$ 113,989	\$ 589,519
Office of General Counsel	2,046,294	355,000	-	-	-	61,985	2,463,279
Finance	1,523,301	232,400	-	300	-	19,430	1,775,431
Information Technology	3,932,234	229,865	25,000	1,691,395	446,041	61,264	6,385,799
Records & Information Management	1,046,397	2,000	172,245	-	815,782	16,450	2,052,874
Enterprise Program Management Office	500,162	-	-	-	-	7,626	507,788
Office of Policy & Strategy	909,934	389,500	-	-	-	30,109	1,329,543
External and Governmental Affairs & Corporate Communications	638,941	100,000	-	-	-	24,650	763,591
Corporate Administration Support	461,849	301,000	-	-	296,622	31,300	1,090,771
Acquisition & Management Services	954,676	15,000	-	-	-	77,136	1,046,812
Human Resources Operations	472,818	344,273	-	-	151,565	41,728	1,010,384
Activities Managed by Human Resources:							
Severance & Related Expense	-	-	-	-	54,500	-	54,500
Defined Benefit Pension Plan Contribution	-	-	-	-	1,000,000	-	1,000,000
Total Corporate Support Expense	\$ 12,962,136	\$ 1,969,038	\$ 197,245	\$ 1,691,695	\$ 2,764,510	\$ 485,667	\$ 20,070,291

* Please refer to "Support for Schedule IV.A" at the end of this report for additional details of each expense category.

Schedule V
Human Development Support and Community Relations*
FY2016 Budget

Description	Managed by	FY 2016 Budget	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
Human Development Support **	Customer Services Group	\$ 1,065,172	\$ 2,385,300	\$ (1,320,128)	\$ 800,000	\$ 265,172
Supportive Services at Gardens at Collegetown	Real Estate Group	168,000	168,432	(432)	132,103	35,897
Quality Living Services for Seniors Community Relations	Real Estate Group External and Governmental Affairs & Corporate Communications	253,540	235,000	18,540	260,410	(6,870)
Corporate Match for AHA Scholarship Fund - Non-MTW funds	President and CEO	16,000	16,000	-	8,000	8,000
		11,700	11,700	-	17,104	(5,404)
Total		\$ 1,514,412	\$ 2,816,432	\$ (1,302,020)	\$ 1,217,617	\$ 296,795

* This schedule does not include human development services provided at AHA-owned residential communities by PMDs or by AHA's Customer Services Group - Human Development Services department, which are included in Schedules VI.A and III, respectively.

** Please refer to "Support for Schedule V" at the end of this report for additional details of this line item.

Schedule VI*

Operating Expense for AHA-Owned Residential Communities & Other AHA Properties FY2016 Budget

	FY 2016 Budget	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
AHA-Owned Residential Communities					
Barge Road Highrise	\$ 971,519	\$ 1,046,076	\$ (74,557)	\$ 1,017,394	\$ (45,875)
Cheshire Bridge Road Highrise	1,257,220	1,338,496	(81,276)	1,344,547	(87,327)
Cosby Spear Highrise	2,175,297	2,287,954	(112,656)	2,393,713	(218,416)
East Lake Highrise	1,096,137	1,169,167	(73,029)	1,171,085	(74,948)
Georgia Avenue Highrise	700,828	827,742	(126,914)	798,419	(97,591)
Hightower Manor Highrise	972,875	1,050,608	(77,733)	1,205,397	(232,522)
Juniper and Tenth Highrise	1,237,061	1,291,607	(54,546)	1,365,772	(128,711)
Marian Road Highrise	1,611,898	1,642,645	(30,747)	1,636,630	(24,732)
Marietta Road Highrise	1,000,209	1,037,281	(37,072)	1,013,775	(13,566)
Martin Street Plaza	651,148	733,824	(82,676)	765,769	(114,621)
Peachtree Road Highrise	1,455,113	1,522,656	(67,543)	1,482,281	(27,168)
Piedmont Road Highrise	1,489,397	1,528,036	(38,639)	1,513,988	(24,591)
Westminster	294,836	299,725	(4,889)	296,566	(1,730)
Total AHA-Owned Residential Communities	14,913,538	15,775,817	(862,279)	16,005,336	(1,091,798)
Other AHA Properties					
AHA Headquarters Building	1,136,032	1,249,983	(113,951)	1,297,798	(161,766)
Zell Miller Center	173,279	174,709	(1,430)	151,523	21,756
PILOT and Other AHA Land	1,058,146	1,135,513	(77,367)	950,396	107,750
Total Other AHA Properties	2,367,456	2,560,205	(192,749)	2,399,717	(32,261)
Total	\$ 17,280,994	\$ 18,336,022	\$ (1,055,028)	\$ 18,405,053	\$ (1,124,059)

* Please refer to Schedule VI.A for FY 2016 budgeted Operating Expense for AHA-Owned Residential Communities & Other AHA Properties by category.

The Housing Authority of the City of Atlanta, Georgia
FY 2016 Budget

Schedule VI.A

**Operating Expense for AHA-Owned Residential Communities and Other AHA Properties
by Category**

	Administrative Expense	Utilities	Maintenance & Operations	Protective Services	Human Development Services	Other*	Total FY 2016 Budget
AHA-Owned Residential Communities							
Barge Road Highrise	\$ 229,791	\$ 179,344	\$ 290,653	\$ 119,009	\$ 100,780	\$ 51,942	\$ 971,519
Cheshire Bridge Road Highrise	318,184	305,317	350,965	120,831	99,715	62,207	1,257,220
Cosby Spear Highrise	462,388	578,427	640,934	265,938	123,776	103,834	2,175,297
East Lake Highrise	243,691	228,717	340,212	134,882	94,175	54,460	1,096,137
Georgia Avenue Highrise	125,013	139,956	229,968	109,101	64,424	32,367	700,828
Hightower Manor Highrise	215,198	173,657	292,357	147,799	85,161	58,703	972,875
Juniper and Tenth Highrise	299,362	305,820	314,934	169,450	97,798	49,697	1,237,061
Marian Road Highrise	420,239	398,704	462,796	131,813	111,823	86,523	1,611,898
Marietta Road Highrise	239,900	191,351	297,790	119,009	105,395	46,764	1,000,209
Martin Street Plaza	140,305	216,384	187,064	51,192	32,235	23,968	651,148
Peachtree Road Highrise	349,528	338,210	442,695	130,206	119,340	75,134	1,455,113
Piedmont Road Highrise	376,637	381,812	409,835	131,900	116,710	72,502	1,489,397
Westminster	50,625	86,413	123,185	9,951	12,668	11,993	294,836
Total AHA-Owned Residential Communities	3,470,861	3,524,112	4,383,390	1,641,081	1,163,999	730,094	14,913,538
Other AHA Properties							
AHA Headquarters Building	224,762	261,765	476,881	152,165	-	20,459	1,136,032
Zell Miller Center	5,644	44,989	56,336	52,680	-	13,630	173,279
PILOT and Other AHA Land	16,000	2,696	671,709	-	-	367,741	1,058,146
Total Other AHA Properties	246,406	309,450	1,204,926	204,845	-	401,830	2,367,456
Total Operating Expense for AHA-Owned Residential Communities and Other AHA Properties	\$ 3,717,267	\$ 3,833,562	\$ 5,588,316	\$ 1,845,926	\$ 1,163,999	\$ 1,131,924	\$ 17,280,994

* **Other** includes insurance, Payments in Lieu of Taxes (PILOT), bad debt expense and other expenses not included in the other categories.

Schedule VII*

Capital Expenditures for Preservation of AHA-Owned Residential Communities & AHA Headquarters FY2016 Budget

	FY 2016 Budget	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
AHA-Owned Residential Communities					
Barge Road Highrise	\$ 190,000	\$ 349,000	\$ (159,000)	\$ 357,994	\$ (167,994)
Cheshire Bridge Road Highrise	-	923,800	(923,800)	287,350	(287,350)
Cosby Spear Highrise	-	799,000	(799,000)	205,477	(205,477)
East Lake Highrise	165,000	204,000	(39,000)	92,454	72,546
Georgia Avenue Highrise	157,000	88,200	68,800	192,902	(35,902)
Hightower Manor Highrise	12,000	180,000	(168,000)	311,080	(299,080)
Juniper and Tenth Highrise	12,000	275,000	(263,000)	330,018	(318,018)
Marian Road Highrise	-	84,300	(84,300)	395,449	(395,449)
Marietta Road Highrise	97,000	379,000	(282,000)	285,763	(188,763)
Martin Street Plaza	177,000	374,300	(197,300)	265,114	(88,114)
Peachtree Road Highrise	134,000	92,000	42,000	191,088	(57,088)
Piedmont Road Highrise	-	813,000	(813,000)	924,873	(924,873)
Westminster	36,000	9,200	26,800	150,516	(114,516)
Total AHA-Owned Residential Communities	980,000	4,570,800	3,590,800	3,990,078	(3,010,078)
AHA Headquarters Capital Expenditures					
Technology Investments	303,080	343,200	(40,120)	212,000	91,080
Capital Improvements to AHA Corporate Headquarters	-	-	-	119,681	(119,681)
Total AHA Headquarters Capital Expenditures	303,080	343,200	(40,120)	331,681	(28,601)
Total	\$ 1,283,080	\$ 4,914,000	\$ (3,630,920)	\$ 4,321,759	\$ (3,038,679)

* Please refer to "Support for Schedule VII" at the end of this report for additional details of capital expenditures.

Schedule VIII*
Development and Revitalization
FY2016 Budget

	FY 2016 Budget **	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
Demolition & Remediation	\$ 393,000	\$ 1,577,819	\$ (1,184,819)	\$ 756,347	\$ (363,347)
Acquisitions	-	5,460,000	(5,460,000)	110,000	(110,000)
Predevelopment Loans	1,969,378	3,072,500	(1,103,122)	640,622	1,328,756
Developer Loan Draws	1,375,000	1,391,868	(16,868)	1,141,868	233,132
Site Improvements	10,000	-	10,000	-	10,000
Extraordinary Sitework	-	2,292,000	(2,292,000)	1,734,810	(1,734,810)
Homeownership Down Payment Loans	1,350,000	660,000	690,000	1,400,000	(50,000)
Non Residential Structures	4,000,000	2,000,000	2,000,000	-	4,000,000
Public Improvements	11,765,740	11,565,582	200,158	5,765,420	6,000,320
Consulting and Professional Services	1,360,933	984,834	376,099	666,362	694,571
Legal Expense	40,000	370,000	(330,000)	53,403	(13,403)
Meeting Expense	43,848	-	43,848	-	43,848
Community Improvements	-	610,000	(610,000)	-	-
Administrative Salaries & Benefits	-	176,333	(176,333)	-	-
Office Rent	-	37,500	(37,500)	-	-
Human Development Support	-	675,877	(675,877)	-	-
Tenant Services Salaries & Benefits	-	246,033	(246,033)	-	-
Grounds	-	45,000	(45,000)	4,900	(4,900)
Other Misc Admin Expenses	-	89,000	(89,000)	9,398	(9,398)
Total Development and Revitalization Expenditures	\$ 22,307,899	\$ 31,254,346	\$ (8,946,447)	\$ 12,283,130	\$ 10,024,769
Sources of Funds					
Replacement Housing Factor (RHF) Grants	\$ 6,714,635	\$ 7,397,034	\$ (682,399)	\$ 5,593,494	\$ 1,121,141
Choice Neighborhoods Implementation & Other Grants	-	1,705,299	(1,705,299)	450,000	(450,000)
Funds Restricted for Revitalization Activities Accumulated in Prior Years	6,400,190	6,915,058	(514,868)	2,694,458	3,705,732
Public Improvement Funds Provided by the City of Atlanta and Other City Agencies	2,154,515	555,000	1,599,515	56,368	2,098,147
MTW Funds used for Revitalization	7,038,559	15,150,398	(8,111,839)	3,957,253	3,081,306
Total Sources of Funds	\$ 22,307,899	\$ 31,722,789	\$ (9,414,890)	\$ 12,751,573	\$ 9,556,326
RHF Fees for Service to Support Administrative Expenses	\$ -	\$ 468,443	\$ (468,443)	\$ 468,443	\$ (468,443)

* Please refer to Schedule VIII.A for Development and Revitalization activities by community/property.

** This Budget does not include the 2014 Choice Neighborhoods Implementation Grant, and associated expenses, expected to be awarded in or about September 2015.

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Schedule VIII.A											
Development and Revitalization by Community/Property											
<u>Community/Property</u>	Auburn Pointe	Capital Gateway	Villages at Carver	Centennial Place	West Highlands	Mechanics ville	Scholars Landing	Collegetown at West End	RAD Conversion *	Other Development **	Total FY 2016 Budget
Development and Revitalization Expenditures											
Demolition & Remediation	\$ 20,000	\$ 120,000	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 393,000
Predevelopment Loans	-	-	-	459,378	-	-	160,000	-	1,350,000	-	1,969,378
Developer Loan Draws	-	-	-	-	-	-	-	-	1,375,000	-	1,375,000
Site Improvements	-	-	-	-	10,000	-	-	-	-	-	10,000
Homeownership Down Payment Loans	-	-	-	-	125,000	400,000	-	400,000	-	425,000	1,350,000
Non Residential Structures	-	-	-	-	-	-	4,000,000	-	-	-	4,000,000
Public Improvements	-	-	-	1,774,808	6,741,049	-	3,249,883	-	-	-	11,765,740
Consulting and Professional Services	67,989	33,083	35,000	54,000	79,000	-	156,861	60,000	100,000	775,000	1,360,933
Legal Expense	-	-	-	-	-	-	-	-	-	40,000	40,000
Meeting Expense	-	-	-	-	-	-	28,848	-	-	15,000	43,848
Total Development and Revitalization Expenditures	\$ 87,989	\$ 153,083	\$ 35,000	\$ 2,288,186	\$ 6,958,049	\$ 400,000	\$ 7,595,592	\$ 460,000	\$ 2,825,000	\$ 1,505,000	\$ 22,307,899
Sources of Funds											
Replacement Housing Factor (RHF) Grants	\$ 25,485	\$ -	\$ -	\$ 330,000	\$ -	\$ -	\$ 3,534,150	\$ -	\$ 2,825,000	\$ -	\$ 6,714,635
Funds Restricted for Revitalization Activities Accumulated in Prior Years	-	-	-	-	6,371,342	-	28,848	-	-	-	6,400,190
Public Improvement Funds Provided by the City of Atlanta and Other City Agencies	-	-	-	1,774,808	379,707	-	-	-	-	-	2,154,515
MTW Funds used for Revitalization	62,504	153,083	35,000	183,378	207,000	400,000	4,032,594	460,000	-	1,505,000	7,038,559
Total Sources of Funds	\$ 87,989	\$ 153,083	\$ 35,000	\$ 2,288,186	\$ 6,958,049	\$ 400,000	\$ 7,595,592	\$ 460,000	\$ 2,825,000	\$ 1,505,000	\$ 22,307,899

* Please refer to Schedule VIII.A.1 for additional information on Rental Assistance Demonstration (RAD) Conversion activities by community.

** Please refer to Schedule VIII.A.2 for additional information on Other Development activities by property.

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Schedule VIII.A.1

RAD Conversion by Community

<u>Community</u>	Villages of East Lake I	Villages of East Lake II	Piedmont Road Highrise	Cosby Spear Highrise	Cheshire Bridge Road Highrise	Juniper and Tenth Highrise	Total FY 2016 Budget
Development and Revitalization Expenditures							
Predevelopment Loans	\$ 300,000	\$ 300,000	\$ 350,000	\$ 150,000	\$ 100,000	\$ 150,000	\$ 1,350,000
Developer Loan Draws	500,000	500,000	375,000	-	-	-	1,375,000
Consulting and Professional Services	25,000	25,000	50,000	-	-	-	100,000
Total Development and Revitalization Expenditures	\$ 825,000	\$ 825,000	\$ 775,000	\$ 150,000	\$ 100,000	\$ 150,000	\$ 2,825,000
Sources of Funds							
Replacement Housing Factor (RHF) Grants	\$ 825,000	\$ 825,000	\$ 775,000	\$ 150,000	\$ 100,000	\$ 150,000	\$ 2,825,000
Total Sources of Funds	\$ 825,000	\$ 825,000	\$ 775,000	\$ 150,000	\$ 100,000	\$ 150,000	\$ 2,825,000

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Schedule VIII.A.2					
Other Development by Property					
<u>Property</u>	North Avenue	Magnolia Perimeter	Herndon	Other	Total FY 2016 Budget
Development and Revitalization Expenditures					
Demolition & Remediation	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
Homeownership Down Payment Loans	-	75,000	-	350,000	425,000
Consulting and Professional Services	25,000	-	50,000	700,000	775,000
Legal Expense	-	-	-	40,000	40,000
Meeting Expense	-	-	-	15,000	15,000
Total Development and Revitalization Expenditures	\$ 275,000	\$ 75,000	\$ 50,000	\$ 1,105,000	\$ 1,505,000
Sources of Funds					
MTW Funds used for Revitalization	\$ 275,000	\$ 75,000	\$ 50,000	\$ 1,105,000	\$ 1,505,000
Total Sources of Funds	\$ 275,000	\$ 75,000	\$ 50,000	\$ 1,105,000	\$ 1,505,000

Schedule IX
ERP Solution*
FY2016 Budget

	FY 2016 Budget	FY 2015 Budget	FY 2016 B Over (Under) FY 2015 B	FY 2015 Forecast	FY 2016 B Over (Under) FY 2015 F
Yardi Professional Services					
Implementation Services	\$ -	\$ 679,400	\$ (679,400)	\$ 350,000	\$ (350,000)
Customizations	-	-	-	33,120	(33,120)
Software Licensing Costs	-	380,000	(380,000)	380,000	(380,000)
Total	\$ -	\$ 1,059,400	\$ (1,059,400)	\$ 763,120	\$ (763,120)

* With the stabilization of the ERP and expected completion of the Business Transformation in FY 2015, budgeted FY 2016 expenses associated with the remaining optimization of the ERP (Yardi) and operation processes have been included in the Information Technology and respective AHA's departments where applicable. Please refer to Schedule IX.A for a final cost analysis of the ERP Program.

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FY 2016 Budget

Schedule IX.A

ERP Program Spending Final Report

	Original Projections Before DDP - Approved by AHA's Board in January 2011	Revised Projections After DDP - Approved by AHA's Board in June 2012	Actual Expense thru June 30, 2014	Projected Expense for FY 2015	Total Projected ERP Expense at June 30, 2015	Total Projected ERP Expense Over (Under) Board Approved Budget
One-Time Investment						
Yardi Professional Services						
Discovery, Design and Planning (DDP)	\$ 598,000	\$ 598,200	\$ 598,200	\$ -	\$ 598,200	\$ -
Implementation services	1,940,473	2,584,480	2,496,587	350,000	2,846,587	262,107
Customizations - Requirements and Development	400,000	875,600	646,438	33,120	679,558	(196,042)
Total Yardi Professional Services	2,938,473	4,058,280	3,741,225	383,120	4,124,345	66,065
Bolt-ons, Extensions, Integrations and Related Services plus ECM Software Related Services	3,216,182	3,166,376	3,640,187	-	3,640,187	473,811
Hardware	422,216	325,000	238,824	-	238,824	(86,176)
Transformation Professional Services	4,280,000	4,280,000	4,178,130	-	4,178,130	(101,870)
Total One-Time Investment	10,856,871	11,829,656	11,798,367	383,120	12,181,487	351,831
Software Licensing Cost *	1,886,375	2,010,625	1,110,976	380,000	1,490,976	(519,649)
Total Before Contingency	12,743,246	13,840,281	12,909,342	763,120	13,672,462	(167,819)
Contingency	-	500,000	-	-	-	(500,000)
Total After Contingency	\$ 12,743,246	\$ 14,340,281	\$ 12,909,342	\$ 763,120	\$ 13,672,462	\$ (667,819)

* ERP Original Budget included Yardi Software Licensing Cost through the end of FY 2015.