

Operating Fund Annual Report Calendar Year 2007

October 31, 2007

**Financial Management Division
Real Estate Assessment Center
Office of Public and Indian Housing**

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1.0 OVERVIEW

The Public Housing Operating Fund Program provides funding to approximately 3,100 local public housing agencies (PHAs) for the operation and maintenance of nearly 1.2 million public housing units.¹ For Federal Fiscal Year (FFY) 2007, covering PHA Calendar Years (CY) 2007, the Congress appropriated \$3.86 billion for operating subsidies. This Annual Report presents key statistics of the Operating Fund Program.²

2.0 DETERMINING SUBSIDY ELIGIBILITY

PHAs calculate their operating subsidy on HUD-Form 52723, *Operating Fund: Calculation of Operating Subsidy*. There are four major components to the calculation:

- **Project Expense Level (PEL).** The PEL is a model-generated estimate of the cost of operating each project, exclusive of utilities, taxes, and certain add-ons.
- **Utility Expense Level (UEL).** The UEL is the funding a project receives for utilities based on an estimate of current rates and historical consumption (with incentives for energy savings). The amount of the UEL is calculated on HUD-Form 52722, *Operating Fund: Calculation of Utilities Expense Level*.
- **Add-ons.** These are special funding amounts for certain items outside the PEL and UEL (nationally, they represent not more than 7% of total eligibility).
- **Formula Income.** This is the income recognized by the formula for subsidy purposes.³

Subsidy eligibility represents the difference between Formula Expenses (PEL, UEL, and Add-ons) and Formula Income, as shown in the diagram below.

$$\text{PEL} + \text{UEL} + \text{Add-ons} - \text{Formula Income} = \text{Operating Subsidy Eligibility}$$

Each PHA completes the Forms HUD-52722 and 52723 and sends them to the local HUD Field Office for review and approval. The local Field Offices submit the approved forms to headquarters, where the data is summarized and matched against funding levels.

PHAs generally submit their operating subsidy request in the fall for the upcoming calendar year. In the event that the Congress has not completed work on the appropriations bill for the upcoming/subject year, the Department will award funds in increments to PHAs in quarterly amounts, based on prior year formula characteristics, to be adjusted once the final appropriation is enacted.

¹ See 24 CFR Part 990, Operating Fund Program.

² The total count of PHAs presented on different charts may differ due to the use of different data sources, e.g. Financial Data Schedule (FDS), HUD-52723, etc.

³ To provide incentives to PHAs to increase rental incomes, Formula income, through 2009, is based on actual rental income in 2004.

3.0 KEY PROGRAM CHANGES IN 2007

3.1 NEW OPERATING FUND FORMULA

For CY 2007, subsidy eligibility was calculated using the new Operating Fund formula and associated PELs, but then aggregated to the PHA level. Beginning in 2008, subsidy computation and disbursement will be done at the project level.

3.2 TRANSITION FUNDING

Overall, about 26% of PHAs decline under the new formula and 74% gain. The net gain results in approximately \$271 million in increased eligibility (in 2004 dollars).⁴ To ease the impact on decliners, new funding levels are phased in over five years. For CY 2007, decliner agencies experienced only a 5% decline in eligibility between the old and new formulas. Gainer agencies received 50% of their gain in CY 2007.

Table 1 shows the total estimated impact of the new formula, by gainers and decliners, based on 2004 eligibility.

Table 1: Transition Funding and Count of Gainers and Decliners PHAs

	Number of PHAs	% of PHAs	Interim Rule Eligibility 2004	Final Rule Eligibility 2004	Difference Between Interim and Final Rule Eligibility
Gainers	2304	74%	\$1,594,071,044	\$2,050,574,552	\$456,503,508
Decliners	814	26%	\$1,686,647,869	\$1,500,695,405	-\$185,952,464
*Other PHAs	14	0%	\$0	\$0	\$0
Totals	3132	100%	\$3,280,718,913	\$3,551,269,957	\$270,551,044

*Excluded from this chart are (1) 8 Moving to Work "alternative funding" PHAs that would otherwise decline (their grant agreements hold them harmless) and (2) 6 PHAs where data was incomplete.

3.3 STOP-LOSS

Decliner agencies can apply to HUD to stop their losses by demonstrating successful conversion to asset management, in accordance with PIH Notices 2006-14, 2006-35, and 2007-16. Originally, the deadline for Year 1 applications was October 15, 2006. HUD issued two extensions, resulting in final deadline of October 15, 2007. The stop-loss application schedule is included in Table 2.

Table 2: Stop-Loss Demonstration Time Line and Effective Dates

Demonstration Date By	Applications Due	Reduction Stopped At	Reduction Effective For
September 30, 2007	October 15, 2007	5% of the PUM difference.	Calendar Year 2007 and thereafter
April 1, 2008	April 15, 2008	24% of the PUM difference.	Calendar Year 2008 and thereafter
October 1, 2008	October 15, 2008	43% of the PUM difference.	Calendar Year 2009 and thereafter
October 1, 2009	October 15, 2009	62% of the PUM difference.	Calendar Year 2010 and thereafter
October 1, 2010	October 15, 2010	81% of the PUM difference.	Calendar Year 2011 and thereafter

⁴ Subsidy eligibility has also increased substantially in recent years because of higher utility prices; however, these higher utility costs are not the result of the new formula.

A total of 449 stop-loss applications were received for Year 1. The results of those applications will be published in next year's Annual Report.

3.4 PHA APPEALS

Subpart G of the Operating Fund Final Rule includes certain provisions for PHAs to appeal their PELs and associated operating subsidy calculations. PHAs could appeal their 2007 Operating Subsidy under one or more of the following categories:

1. Streamlined appeal. This appeal required PHAs to demonstrate that there is a blatant and objective flaw in the application of a specific Operating Fund formula component.
2. Appeal of formula income for economic hardship. PHAs could appeal to have their formula income adjusted from the level frozen in 2004 (in accordance with 990.195(c) of the final rule) in order to reflect a severe local economic hardship that is impacting the PHAs' ability to maintain rental and other revenue.
3. Appeal for specific local conditions. An appeal for specific local conditions required PHAs to demonstrate that the model-generated PELs failed to reflect local conditions. To be eligible for a change in subsidy for an appeal for specific local conditions, PHAs had to demonstrate a variance of ten percent or greater in their PEL.
4. Appeal for changing market conditions. PHAs could appeal to receive operating subsidy for vacant units due to changing market conditions after they had taken aggressive marketing and outreach measures to rent these units.
5. Appeal to substitute actual project cost data. PHAs could appeal to have their PEL changed when they can produce project cost data, derived from actual asset management as outlined in subpart H of the final rule, for a period of at least two years.

Table 3 includes the count for each type of appeal and the estimated dollar impact of approved appeals.

Table 3: Summary of CY 2007 Appeals

#	Type of Appeal	Count of Appeals			Estimated \$ Impact of Approved Appeals
		Requested	Approved	Denied	
1	Streamlined Appeals	19	7	12	\$ 744,785
2	Specific Local Condition Appeals	21	5	16	\$ 1,322,253
3	Economic Hardship Appeals*	N/A	8	N/A	\$ 571,360
4	Changing Market Condition Appeals*	N/A	102	N/A	\$ 5,831,588
5	Actual Project Cost Data Appeals	0	0	0	\$ -
Total		150	122	28	\$ 8,469,986

* Appeals for Economic Hardship and Changing Market Conditions were submitted by the PHAs to their respective Field Offices. The information presented above includes the approved appeals submitted by the Field Offices to HUD HQ.

4.0 CY 2007 FUNDING LEVELS, ELIGIBILITY, PRORATION AND OBLIGATIONS

4.1 CY 2007 APPROPRIATION

For 2007, Congress appropriated \$3.864 billion for the public housing Operating Fund. In addition, \$1.2 million was recaptured during the year and made available for Operating Fund formula allocation. Table 4 presents the Operating Fund appropriation for the last five years.⁵

Table 4: Appropriation Levels from 2003 to 2007

Year	Amount (In millions)
2007	\$3,864
2006	\$3,564
2005	\$2,420
2004	\$3,569
2003	\$3,567

⁵ For 2005, Congress changed to “calendar year” funding for the Operating Fund program. For that year, lower levels of appropriations were needed. HUD funded PHAs with fiscal years that began in 2005 only for the number of months within that PHA’s fiscal year that were in calendar year 2005. PHAs with fiscal years beginning January 1, 2005, received twelve months of funding; PHAs with fiscal years beginning April 1, 2005, received nine months of funding; PHAs with fiscal years beginning July 1, 2005, received six months of funding; and PHAs with fiscal years beginning October 1, 2005, received three months of funding. Thus, while the amount appropriated decreased by more than \$1.1 billion in 2005, this reduced appropriation still resulted in proration of 88.80%.

4.2 CY 2007 ELIGIBILITY

For CY 2007, total eligibility was \$4.63 billion. Table 5 displays this amount, broken down by key formula components. (See Appendix B for a list of all data elements on the HUD-Form 52723, by PHA size grouping.)

Table 5: Key Formula Component

#	Description	All PHAs (except MTW)		MTW*
		Total (\$)	PUM (\$)	
1	Project Expense Level	4,458,104,151	348.09	N/A
2	Utility Expense Level	1,715,647,507	133.96	N/A
3	Add-ons:			
4	Self-Sufficiency	14,582,988	1.14	N/A
5	Energy Loan Amortization	17,319,044	1.35	N/A
6	PILOT	95,361,226	7.45	N/A
7	Cost of Independent Audit	17,322,220	1.35	N/A
8	Funding for Resident Participation Units	25,203,825	1.97	N/A
9	Asset Management Fee	43,657,092	3.41	N/A
10	Information Technology Fee	26,648,226	2.08	N/A
11	Asset Repositioning Fee	52,021,551	4.06	N/A
12	Costs Attributable to Changes in Federal Laws	0	0.00	N/A
13	Total Add-Ons	292,188,189	22.81	N/A
14	Total Formula Expense (Line 1 + Line 2 + Line 12)	6,465,939,847	504.86	N/A
15	PUM Formula Income	2,296,129,409	179.28	N/A
16	PUM Change in Utility Allowance	(20,504,213)	(1.60)	N/A
17	Total Formula Income	2,275,617,599	177.68	N/A
18	Other Formula Provisions:			
19	Moving to Work	0	N/A	483,894,624
20	Transition Funding (Gainers)	(218,698,508)	(28.13)	N/A
21	Transition Funding (Decliners)	176,704,108	35.11	N/A
22	Other	1,307,535	N/A	N/A
23	Total Other Formula Provisions	(41,994,400)		483,894,624
24	Eligibility	4,149,635,383	324.00	483,894,624
25	Total Eligibility (MTW & Non-MTW)			4,633,530,007

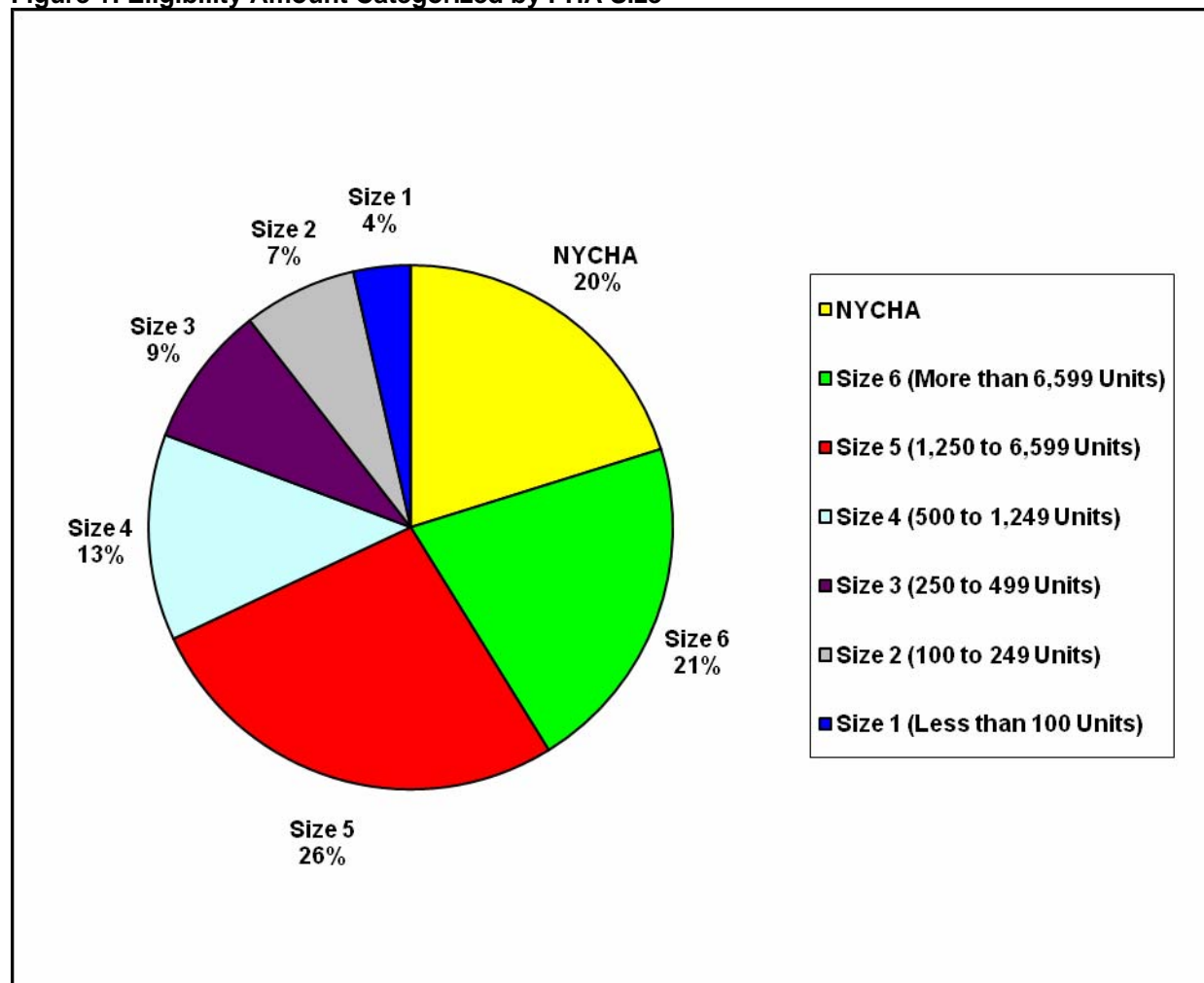
*Total eligibility for MTW PHA's with alternative formula calculation is shown on Line 19.

Table 6 shows total eligibility by PHA size categories. Figure 1 presents that information in a pie chart.

Table 6: Eligibility Amount Categorized by PHA Size

PHA Size Category	PHA Count	Unit Count	Eligibility	%
NYCHA	1	159,150	\$ 935,236,603	20.18%
Size 6 (More than 6,599 Units)	13	189,839	\$ 973,291,152	21.01%
Size 5 (1,250 to 6,599 Units)	123	309,030	\$ 1,242,236,159	26.81%
Size 4 (500 to 1,249 Units)	241	181,729	\$ 589,568,715	12.72%
Size 3 (250 to 499 Units)	427	146,859	\$ 405,311,655	8.75%
Size 2 (100 to 249 Units)	848	132,386	\$ 324,804,402	7.01%
Size 1 (Less than 100 Units)	1,479	72,117	\$ 163,081,321	3.52%
TOTAL	3,132	1,191,110	\$ 4,633,530,007	100.00%

Figure 1: Eligibility Amount Categorized by PHA Size



4.3 CY 2007 PRORATION

When total eligibility exceeds appropriated amounts, the Department “prorates” the funding by dividing total eligibility by the amount appropriated. As shown in Table 7, proration for CY 2007 was 83.4%.

Table 7: Proration Calculation for CY 2007

#	Description	Amount in \$
1	FY 2007 Appropriation	\$ 3,864,000,000
2	FY 2005 Carry over	\$ 1,222,973
3	Available for Formula Allocation (1) + (2)	\$ 3,865,222,973
4	Total Operating Fund Eligibility	\$ 4,633,530,007
5	Total Mutual Help & Turnkey Eligibility	\$ 886,916
6	Total Estimated FY 2007 Eligibility (4) + (5)	\$ 4,634,416,923
7	Estimated Proration (3) / (6)	83.40%

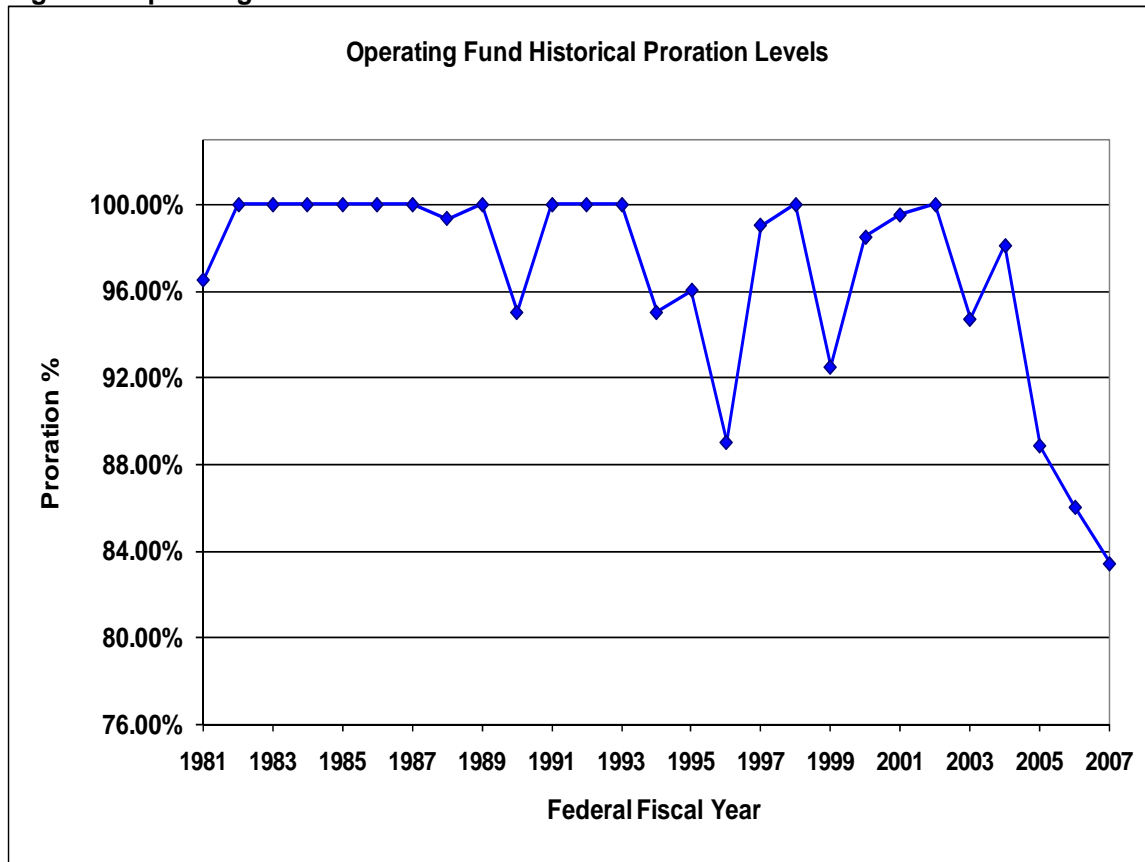
Table 8 shows proration levels from 1981 to 2007. Figure 2 presents that information in a line chart.⁶

Table 8: Proration Levels from 1981 to 2007

Year	Proration Level	Year	Proration Level	Year	Proration Level
1981	96.50%	1990	95.00%	1999	92.50%
1982	100.00%	1991	100.00%	2000	98.50%
1983	100.00%	1992	100.00%	2001	99.50%
1984	100.00%	1993	100.00%	2002	100.00%
1985	100.00%	1994	95.00%	2003	94.70%
1986	100.00%	1995	96.00%	2004	98.10%
1987	100.00%	1996	89.00%	2005	88.80%
1988	99.32%	1997	99.00%	2006	86.02%
1989	100.00%	1998	100.00%	2007	83.40%

⁶ 2007 is the first year of the implementation of the new formula.

Figure 2: Operating Fund Historical Proration Levels



4.4 CY 2007 OBLIGATIONS

The Department typically provides operating subsidy to PHAs in several funding cycles – referred to as “interim obligations” and “final obligations.” Interim obligations often result from the absence of a final appropriation. Table 9 presents the obligation amounts for each funding cycle for CY 2007.

Table 9: Summary of CY 2007 Obligation

POS #	Amount Obligated	Description
1	\$ 861,742,247	Funded PHAs for 3 months at 76%
2	\$ 1,949,497,758	Funded PHAs through 9 months at 82%
3	\$ 12,096,549	Waiver for New Orleans Housing Authority
4	\$ 1,040,967,615	Funded PHAs through 12 months at 83.4%
5	\$ 851,729	Waiver for Mississippi appeals
Total	\$ 3,865,155,898	

5.0 MUTUAL HELP AND TURNKEY III HOMEOWNERSHIP PROGRAMS

The Operating Fund appropriation includes funding for PHAs participating in Mutual Help and Turnkey III Homeownership programs as well. PHAs are required to complete and submit form HUD-53087, *Calculation of Subsidies for Operations: Non-Rental Housing*, to their respective Field offices. Table 10 presents the total eligibility of all Mutual Help and Turnkey III Homeownership programs for CY 2007, by participating PHA.

Table 10: Eligibility Amount of Mutual Help and Turnkey Programs

PHA	PPN	PHA Name	Program Code	CY 2007 Eligibility
AL190	AL19000207D	GREENE CO	MHP	\$17,770
FL005	FL00505207D	MIAMI-DADE CO	HTK	\$44,352
FL005	FL00506407D	MIAMI-DADE CO	HTK	\$195,819
IL039	IL03900507D	KANKAKEE COUNTY	HTK	\$8,220
IN015	IN01500607D	SOUTH BEND	HTK	\$50,971
IN019	IN01900407D	MICHIGAN CITY	HTK	\$26,957
IN019	IN01900507D	MICHIGAN CITY	HTK	\$69,963
MD004	MD00401107D	MONTGOMERY COUNTY	HTK	\$118,454
OH003	OH00304307D	CUYAHOGA	HTK	\$128,190
OH003	OH00306107D	CUYAHOGA	HTK	\$60,880
OH003	OH00306307D	CUYAHOGA	HTK	\$26,090
OH003	OH00306607D	CUYAHOGA	HTK	\$30,570
OH003	OH00306807D	CUYAHOGA	HTK	\$57,380
PA022	PA02200607D	YORK	HTK	\$12,020
PA022	PA02200707D	YORK	HTK	\$39,280
			TOTAL	\$886,916

6.0 UNIT COUNTS

PHAs earn subsidies based on the number of months a unit is eligible for subsidy. Three key terms are defined below:

- **Units:** All dwelling units under a PHA's Annual Contribution Contract (ACC) as of June 30 of the reporting period.⁷
- **Unit months:** This figure reflects the total number of months that units were under ACC for the reporting period. For most PHAs, unit months equals total units x 12. However, in the case where units were added/deleted during the year, the number of ACC units reported as of June 30 will not equal one-twelfth of unit months.
- **Eligible Unit Months (EUMs):** EUMs represent the number of unit months eligible for subsidy.⁸ A PHA receives funding for: (a) occupied units, (b) certain "allowable" vacancies, and (c) "unallowable" vacancies limited to three (3) percent⁹.

⁷ For CY 2007, reporting period was July 1, 2005 – June 30, 2006.

⁸ All units, though, are eligible for the asset management fee and the IT fee.

⁹ PHAs with 100 or fewer units are paid subsidy for up to five (5) vacant units.

In accordance with Table 11, there were 1.191 million units reported on the approved HUD-52723 forms for CY 2007:

Table 11: Count of PHAs and Units

Size Category	PHA Count	Unit Count
NYCHA	1	159,150
Size 6 (> 6,599)	13	189,839
Size 5 (1,250-6,599)	123	309,030
Size 4 (500-1,249)	241	181,729
Size 3 (250-499)	427	146,859
Size 2 (100-249)	848	132,386
Size 1 (< 100)	1,479	72,117
Total	3,132	1,191,110

These 1.19 million units equate into approximately 14.3 million unit months. In contrast, PHAs included an estimated 13.8 million EUMs, meaning that on the order of 556,000 unit months, or 46,000 units, did not receive operating subsidy in CY 2007, as shown in Table 12.¹⁰

Table 12: Count of Unit Months and EUM

Size Category	Unit Months			Eligible Unit Months (EUMs)		
	All PHAs (Except MTW)	Estimated MTW PHAs	Estimated Total	All PHAs (Except MTW)	*Estimated MTW PHAs	Estimated Total
NYCHA	1,911,207	-	1,911,207	1,896,197	-	1,896,197
Size 6 (> 6,599)	1,548,501	763,560	2,312,061	1,453,630	733,946	2,187,576
Size 5 (1,250-6,599)	3,451,782	233,304	3,685,086	3,264,478	224,255	3,488,733
Size 4 (500-1,249)	2,194,493	13,116	2,207,609	2,082,951	12,607	2,095,558
Size 3 (250-499)	1,764,359	4,428	1,768,787	1,714,885	4,256	1,719,141
Size 2 (100-249)	1,589,586	-	1,589,586	1,544,277	-	1,544,277
Size 1 (< 100)	864,185	-	864,185	850,926	-	850,926
Total	13,324,113	1,014,408	14,338,521	12,807,344	975,065	13,782,409

¹⁰ Amounts presented are estimates for MTW agencies. For MTW agencies, unit months were calculated as Units x 12 months. EUMs for MTW agencies were calculated as 96 percent of unit months (i.e. EUMs as a percent of unit months for all PHAs).

7.0 NATIONAL AVERAGE PROJECT EXPENSE LEVELS

Table 13 presents a percentile distribution of PELs, separated by 'family' and 'senior' projects.

Table 13: Percentile Distribution of PELs

Percentile	CY 2007 PELs	
	Family Projects	Senior Projects
10%	\$258	\$231
20%	\$278	\$235
30%	\$297	\$237
40%	\$314	\$241
50%	\$324	\$250
60%	\$342	\$265
70%	\$366	\$284
80%	\$393	\$318
85%	\$414	\$332
90%	\$444	\$346
100%	\$550	\$493

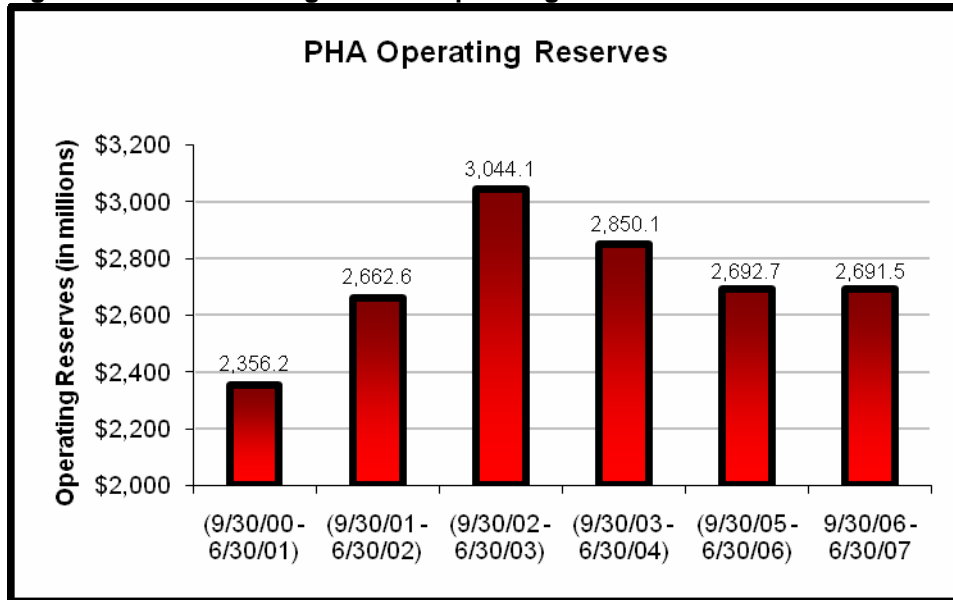
8.0 PUBLIC HOUSING OPERATING RESERVES

Table 14 includes public housing operating reserves, by PHA size category. (Please see Appendix A for an explanation of the method to calculate operating reserves.) Figure 3 shows overall public housing reserve levels since 2001.

Table 14: Public Housing Operating Reserves

Size Category	Positive Reserve		Negative Reserve		Total	
	Count	\$	Count	\$	Count	\$
NYCHA	1	\$448,648,489	0	0	1	\$448,648,489
Size 6 (More than 6,599 Units)	4	\$102,723,480	3	(\$27,787,550)	7	\$74,935,930
Size 5 (1,250 to 6,599 Units)	100	\$573,621,689	10	(\$34,207,887)	110	\$539,413,802
Size 4 (500 to 1,249 Units)	215	\$486,630,791	18	(\$10,968,851)	233	\$475,661,940
Size 3 (250 to 499 Units)	412	\$423,299,440	13	(\$5,522,565)	425	\$417,776,875
Size 2 (100 to 249 Units)	821	\$453,791,318	16	(\$3,691,458)	837	\$450,099,860
Size 1 (Less than 100 Units)	1,477	\$287,293,677	37	(\$2,289,568)	1,514	\$285,004,109
Total	3,030	\$2,776,008,884	97	(\$84,467,879)	3,127	\$2,691,541,005

Figure 3: Public Housing Historic Operating Reserve Levels



9.0 PUBLIC HOUSING FINANCIAL STATEMENTS

9.1 SUMMARIZED REVENUE AND EXPENSES (PUM)

Table 15 presents the PUM revenues and expenses for the public housing program, categorized by PHA size. (Please see Appendix A for the methodology used in this analysis).

Table 15: PUM Revenues and Expenses

Description	Per Unit Month (PUM) Amount								
	All PHAs	All PHAs - Excluding NYCHA	NYCHA	More than 6,599 units	1,250 to 6,599 units	500 to 1,249 units	250 to 499 units	100 to 249 units	Less than 100 units
Revenue									
Tenant Rental Revenue	\$ 190	\$ 145	\$ 327	\$ 119	\$ 172	\$ 185	\$ 181	\$ 179	\$ 184
Operating Subsidy	\$ 263	\$ 205	\$ 421	\$ 366	\$ 277	\$ 206	\$ 168	\$ 158	\$ 141
Other Revenue	\$ 34	\$ 27	\$ 49	\$ 27	\$ 31	\$ 43	\$ 27	\$ 30	\$ 27
Total Revenues	\$ 487	\$ 377	\$ 797	\$ 512	\$ 480	\$ 434	\$ 376	\$ 367	\$ 351
Expenses									
Administrative Expenses	\$ 145	\$ 110	\$ 254	\$ 164	\$ 135	\$ 113	\$ 102	\$ 113	\$ 120
Tenant Services Expenses	\$ 12	\$ 10	\$ 15	\$ 22	\$ 12	\$ 12	\$ 8	\$ 6	\$ 4
Utilities Expenses	\$ 116	\$ 88	\$ 207	\$ 123	\$ 118	\$ 103	\$ 90	\$ 74	\$ 61
Maintenance and Operations	\$ 170	\$ 135	\$ 255	\$ 191	\$ 180	\$ 147	\$ 129	\$ 128	\$ 117
General Expenses	\$ 154	\$ 37	\$ 858	\$ 54	\$ 40	\$ 43	\$ 40	\$ 36	\$ 37
Total Operating Expenses	\$ 598	\$ 380	\$ 1,588	\$ 554	\$ 485	\$ 417	\$ 370	\$ 358	\$ 339
Excess Operating Revenue over Operating Expenses	\$ (111)	\$ (3)	\$ (791)	\$ (42)	\$ (6)	\$ 17	\$ 6	\$ 9	\$ 12

Notes:

1. PUM amounts are calculated based on the Unit Months Available (UMAs) reported on Financial Data Schedule (FDS) for Low Rent Public Housing Program.
2. General Expenses include approximately \$1.5 billion recognized by New York City Housing Authority (NYCHA) as an expense in their 12/31/2006 financial statements pursuant to GASB 45 (Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions).

9.2 PUBLIC HOUSING BALANCE SHEET

Table 16 includes the consolidated PHA balance sheet for the public housing program.¹¹ (Please see Appendix A for the methodology used in this analysis).

¹¹ Based on PHA fiscal years 9/30/06 through 6/30/07.

Table 16: Total Assets

Line Item	Line Item Description	Amount
111	Cash – Unrestricted	\$1,799,470,581
115	Cash - Restricted for Payment of Current Liabilities	\$26,938,885
112	Cash - Restricted - Modernization and Development	\$499,453,590
113	Cash - Other Restricted	\$175,164,407
114	Cash - Tenant Security Deposits	\$118,538,640
100	Total Cash	\$2,619,566,103
121	Accounts Receivable - PHA Projects	\$3,577,779
122	Accounts Receivable - HUD Other Projects	\$39,436,900
124	Accounts Receivable - Other Government	\$11,889,804
125	Accounts Receivable – Miscellaneous	\$76,955,932
126	Accounts Receivable - Tenants - Dwelling Rents	\$99,830,036
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(\$58,215,513)
126.2	Allowance for Doubtful Accounts – Other	(\$18,092,750)
127	Notes, Loans, & Mortgages Receivable - Current	\$12,953,198
128	Fraud Recovery	\$4,898,161
128.1	Allowance for Doubtful Accounts – Fraud	(\$3,332,477)
129	Accrued Interest Receivable	\$27,274,656
120	Total Receivables, net of allowances for doubtful accounts	\$197,176,809
131	Investments – Unrestricted	\$2,003,286,921
135	Investments - Restricted for Payment of Current Liabilities	\$24,603,271
132	Investments Restricted	\$375,261,304
142	Prepaid Expenses and Other Assets	\$180,276,326
143	Inventories	\$102,082,694
143.1	Allowance for Obsolete Inventories	(\$7,518,764)
144	Interprogram Due From	\$489,066,608
145	Assets Held for Sale	\$26,013,954
146	Amounts to be Provided	\$0
150	Total Current Assets	\$6,009,815,226
161	Land	\$3,713,874,207
168	Infrastructure	\$997,846,300
162	Buildings	\$48,218,767,318
163	Furniture, Equipment & Machinery - Dwellings	\$703,959,294
164	Furniture, Equipment & Machinery - Administration	\$1,231,217,221
165	Leasehold Improvements	\$2,632,239,315
166	Accumulated Depreciation	(\$34,607,411,762)
167	Construction In Progress	\$707,653,232
160	Total Fixed Assets, Net of Accumulated Depreciation	\$23,598,145,125
171	Notes, Loans, & Mortgages Receivable - Non Current	\$270,349,962
172	Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$42,695
173	Grants Receivable - Non Current	\$672,284
174	Other Assets	\$65,409,036
176	Investments in Joint Ventures	\$42,792,553
180	Total Non-Current Assets	\$23,977,411,655
190	Total Assets	\$29,987,226,881

Table 16: Total Liability and Equity

Line Item	Line Item Description	Amount
311	Bank Overdraft	\$16,625,225
312	Accounts Payable <= 90 Days	\$454,158,626
313	Accounts Payable >90 Days Past Due	\$4,804,322
321	Accrued Wage/Payroll Taxes Payable	\$92,656,165
322	Accrued Compensated Absences - Current Portion	\$94,738,127
324	Accrued Contingency Liability	\$297,523,874
325	Accrued Interest Payable	\$26,326,005
331	Accounts Payable - HUD PHA Programs	\$28,729,065
332	Accounts Payable - PHA Projects	\$1,742,503
333	Accounts Payable - Other Government	\$92,366,269
341	Tenant Security Deposits	\$147,176,198
342	Deferred Revenues	\$48,422,812
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$115,272,499
344	Current Portion of Long-term Debt - Operating Borrowings	\$3,521,351
348	Loan Liability – Current	\$3,202,217
345	Other Current Liabilities	\$63,927,034
346	Accrued Liabilities – Other	\$197,661,138
347	Interprogram Due To	\$353,666,238
310	Total Current Liabilities	\$2,042,519,668
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue Bonds	\$1,876,554,177
352	Long-term Debt, Net of Current - Operating Borrowings	\$46,301,020
354	Accrued Compensated Absences - Non Current	\$252,995,452
355	Loan Liability - Non Current	\$31,610,719
353	Noncurrent Liabilities – Other	\$1,749,070,003
350	Total Noncurrent Liabilities	\$3,956,531,371
300	Total Liabilities	\$5,999,051,039
501	Investment in General Fixed Assets	\$0
502	Project Notes (HUD)	\$5,023,371
503	Long-term Debt - HUD Guaranteed	\$9,686,976
504	Net HUD PHA Contributions	\$53,260,244
505	Other HUD Contributions	\$0
507	Other Contributions	\$427,734
508	Total Contributed Capital	\$68,398,325
508.1	Invested in Capital Assets, Net of Related Debt	\$21,808,052,239
509	Fund Balance Reserved for Encumbrances/Designated Fund Balance	\$625,632
510	Fund Balance Reserved for Capital Activities	\$4,518,700
511	Total Reserved Fund Balance	\$5,144,332
511.1	Restricted Net Assets	\$663,543,791
512	Undesignated Fund Balance/Retained Earnings	\$17,717,712
512.1	Unrestricted Net Assets	\$1,425,319,443
513	Total Equity/Net Assets	\$23,988,175,842
600	Total Liabilities and Equity/Net Assets	\$29,987,226,881

9.3 PUBLIC HOUSING INCOME STATEMENT

Table 17 includes the consolidated Income Statement for the public housing program.¹² (Please see Appendix A for the methodology used in this analysis).

Table 17: Income Statement

Line Item	Line Item Description	Amount
703	Net Tenant Rental Revenue	\$2,506,952,525
704	Tenant Revenue - Other	\$78,829,405
705	Total Tenant Revenue	\$2,585,781,930
706	HUD PHA Operating Grants	\$3,582,782,033
706.1	Capital Grant	\$24,105,589
708	Other Government Grants	\$34,662,698
711	Investment Income - Unrestricted	\$151,065,397
712	Mortgage Interest Income	\$2,287,870
713	Proceeds from Disposition of Assets Held for Sale	\$15,598,550
713.1	Cost of Sale of Assets	(\$9,973,650)
714	Fraud Recovery	\$2,773,834
715	Other Revenue	\$187,651,003
716	Gain/Loss on Sale of Fixed Assets	\$28,209,025
720	Investment Income - Restricted	\$25,253,172
700	Total Revenue	\$6,630,197,451
911	Administrative Salaries	\$898,543,250
912	Auditing Fees	\$20,825,629
913	Outside Management Fees	\$31,538,778
914	Compensated Absences	\$29,194,748
915	Employee Benefit Contributions - Administrative	\$514,035,721
916	Other Operating - Administrative	\$480,219,475
N/A	Total Administrative Expenses	\$1,974,357,601
921	Tenant Services - Salaries	\$88,968,085
922	Relocation Costs	\$1,154,655
923	Employee Benefit Contributions - Tenant Services	\$18,994,753
924	Tenant Services - Other	\$56,520,938
N/A	Total Tenant Services Expenses	\$165,638,431
931	Water	\$342,217,533
932	Electricity	\$493,897,201
933	Gas	\$386,277,437
934	Fuel	\$198,332,802
935	Labor	\$40,384,653
937	Employee Benefit Contributions - Utilities	\$8,804,742
938	Other Utilities Expense	\$115,320,951
N/A	Total Utilities Expenses	\$1,585,235,319
941	Ordinary Maintenance and Operations - Labor	\$1,083,460,942
942	Ordinary Maintenance and Operations - Materials and Other	\$285,456,013
943	Ordinary Maintenance and Operations - Contract Costs	\$496,404,324
945	Employee Benefit Contributions - Ordinary Maintenance	\$274,223,621
951	Protective Services - Labor	\$34,740,055
952	Protective Services - Other Contract Costs	\$123,055,692
953	Protective Services - Other	\$9,907,642
955	Employee Benefit Contributions - Protective Services	\$10,619,384
N/A	Total Maintenance and Operations Expenses	\$2,317,867,673

¹² Based on PHA fiscal years 9/30/06 through 6/30/07.

Line Item	Line Item Description	Amount
961	Insurance Premiums	\$319,857,077
962	Other General Expenses	\$1,568,652,823
963	Payments in Lieu of Taxes	\$76,933,143
964	Bad Debt - Tenant Rents	\$50,868,183
965	Bad Debt - Mortgages	\$4,184,380
966	Bad Debt - Other	\$6,957,553
967	Interest Expense	\$65,130,409
968	Severance Expense	\$7,691,086
N/A	Total General Expenses	\$2,100,274,654
969	Total Operating Expenses	\$8,143,373,678
970	Excess Operating Revenue over Operating Expenses	(\$1,513,176,227)
971	Extraordinary Maintenance	\$58,047,102
972	Casualty Losses - Non-Capitalized	\$8,797,739
973	Housing Assistance Payments	\$4,270,234
974	Depreciation Expense	\$1,906,055,708
975	Fraud Losses	\$955,301
976	Capital Outlays - Governmental Funds	\$2,150,318
977	Debt Principal Payment - Governmental Funds	\$0
978	Dwelling Units Rent Expense	\$826,629
900	Total Expenses	\$10,124,476,709
1001	Operating Transfers In	\$504,385,082
1002	Operating Transfers Out	(\$35,229,030)
1003	Operating Transfers from/to Primary Government	\$493,842
1004	Operating Transfers from/to Component Unit	(\$8,676,338)
1005	Proceeds from Notes, Loans and Bonds	\$1,888,786
1006	Proceeds from Property Sales	\$0
1007	Extraordinary Items (net gain/loss)	(\$1,046,836)
1008	Special Items (net gain/loss)	\$604,519
1010	Total Other Financing Sources (Uses)	\$462,420,025
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	(\$3,031,859,233)
1120	Unit Months Available	13,626,939
1121	Number of Unit Months Leased	12,801,576

APPENDIX A: METHODOLOGY TO CALCULATE OPERATING RESERVES

Table 18 presents the methodology used to calculate the Operating Reserves for the PHAs.

Table 18: Methodology to Calculate Operating Reserves

#	FDS#	Description
1	111	Cash – Unrestricted
2	114	Cash - Tenant Security Deposits
3	120	Total Receivables
4	131	Investments - Unrestricted
5	142	Prepaid expenses and other assets
6	144	Interprogram - due from
7	145	Assets held for sale
8	146	Amounts to be provided
9		Total (1+2+3+4+5+6+7+8)
10	310	Total Current Liabilities
11	343	Current Portion of Long Term Debt – Capital Projects
12		Total (10-11)
13		Total Operating Reserves (9-12)

NOTES

1. A total of 3,127 PHAs are included in the operating reserves analysis. The following table presents the list of PHAs that were not included:

#	PHA Code	PHA Name	Reason
1	CA049	Housing Authority of the City of Soledad	
2	DC001	D.C Housing Authority	MTW
3	DE004	Delaware State Housing Authority	MTW
4	GA006	Housing Authority of the City of Atlanta Georgia	MTW
5	IN089	Housing Authority of the City of Rome City	
6	KY001	LOUISVILLE METRO HOUSING AUTHORITY	MTW
7	LA103	Housing Authority of City of Slidell	
8	MA003	Cambridge Housing Authority	MTW
9	MD002	HOUSING AUTHORITY OF BALTIMORE CITY	MTW
10	MD011	Glenarden Housing Authority	
11	MI001	Detroit Housing Commission	
12	NJ048	Neptune Housing Authority	
13	NM010	Housing Authority of the City of Espanola	
14	NM035	Town of Bernalillo Dept of Housing Services	
15	OR002	Housing Authority of Portland	
16	PA002	PHILADELPHIA HOUSING AUTHORITY	MTW
17	TX277	Housing Authority of Hale Center	
18	WA001	SEATTLE HOUSING AUTHORITY	MTW
19	WA002	HA of King County	MTW
20	WA008	Housing Authority of the City of Vancouver	MTW

2. Five (5) MTW PHAs (Delaware State, Louisville, Cambridge, Portland, and Vancouver) were excluded from the financial statements analysis. These five PHAs combined represent approximately 23,000 public housing units.
3. The analysis includes FASS-PH submissions for 9/30/06 – 6/30/07.
4. Where available, audited submissions were included. If audited submission is unavailable, unaudited submission is included. Only approved submissions are included.
5. Low Rent CFDA: 14.850a
6. FDS Line #962, Other General Expenses and FDS Line #353, Noncurrent Liabilities-Other, includes approximately \$1.5 billion recognized by New York City Housing Authority (NYCHA) as an expense/liability in their 12/31/2006 financial statements pursuant to GASB 45 (Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions). This entry has caused a significant increase in the total expenses and a significant reduction in the unrestricted net assets. Employers have the option to recognize the expense associated with post employment benefits in one year or over several years. NYCHA recognized the entire change in the fiscal year ended 12/31/2006.

APPENDIX B: SUMMARIZED HUD-52723 BY PHA SIZE

Table 19 shows a summary of HUD-52723 form summarized by PHA size.

Table 19: Summarized HUD-52723 by PHA Size

Line Item	Item	All PHAs		New York City (NY005)		Size Category 6 (excluding NY005)		Size Category 5		Size Category 4	
		Unit Months	EUM	Unit Months	EUM	Unit Months	EUM	Unit Months	EUM	Unit Months	EUM
1a	Number of PPNs		3,174		1		8		120		238
1c	Units		1,191,110		159,150		117,543		293,809		180,170
Section 2											
Occupied Unit Months											
1	Occupied dwelling units-by PH eligible family	11,992,449	11,992,449	1,847,102	1,847,102	1,243,532	1,243,532	2,971,289	2,971,289	1,956,806	1,956,806
2	Occupied dwelling units-by PH employee, police officer etc:	20,705	0	2,647	0	1,294	0	4,539	0	3,216	0
3	New units - eligible for subsidy, not included on Lines 1, 2, 5-13	75,088	75,088	0	0	11,588	11,588	43,135	43,135	10,743	10,743
4	New units - eligible for subsidy from 10/1 to 12/31	7,980	7,980	0	0	583	583	5,776	5,776	940	940
Vacant Unit Months											
5	Units undergoing modernization	310,786	310,786	26,830	26,830	76,150	76,150	113,173	113,173	35,042	7,837
6	Special use units	39,197	39,197	3,840	3,840	6,973	6,973	12,789	12,789	7,837	7,837
6a	Units on Line 2 occupied by police officers and special use units	0	4,012	0	0	0	0	0	970	0	505
7	Units vacant due to litigation	6,980	6,980	2,419	2,419	959	959	1,863	1,863	955	955
8	Units vacant due to disasters	83,210	83,210	0	0	1,050	1,050	66,083	66,083	7,982	7,982
9	Units vacant due to casualty losses	9,508	9,508	0	0	657	657	3,500	3,500	2,047	2,047
10	Units vacant due to changing market conditions	24,905	24,723	0	0	0	0	8,391	8,391	6,505	6,505
11	Units vacant and not categorized above	442,497	0	16,006	0	31,256	0	147,021	0	88,763	0
12	Units eligible for asset repositioning fee and still on ACC	230,538	0	0	0	56,139	0	92,155	0	52,165	0
13	All other ACC units not categorized above	80,270	0	12,363	0	14,565	0	31,126	0	13,799	0
Calculations based on Unit Months:											
14	Limited vacancies	0	253,411	0	16,006	0	21,521	0	77,174	0	45,021
15	Total Unit Months	13,324,113	12,807,344	1,911,207	1,896,197	1,444,746	1,363,013	3,500,840	3,304,143	2,186,800	2,074,383
16	Units eligible for funding for resident participation activities	0	0	0	0	0	0	0	0	0	0
Special Provision for Calculation of UEL											
17	Unit months included on Line 1 of HUD-52722 and not included on Line 1-11 above	0	0	0	0	0	0	0	0	0	0
Section 3											
Part A: Formula Expenses											
1-Project Expense Level (PEL)											
A1	PUM Project expense level (PEL)		\$338.97		\$498.38		\$349.70		\$331.29		\$313.81
A2	Inflation factor		1.03		1.03		1.04		1.03		1.03
A3	PUM Inflated PEL (Part A, Line 01 times Line 02)		\$348.09		\$511.84		\$361.71		\$339.88		\$322.02
A4	PEL (A3 x EUM)		\$4,458,104,151		\$970,549,472		\$493,015,599		\$1,123,023,275		\$668,002,577
2-Utility Expense Level (UEL)											
A5	PUM utilities expense level (UEL)		\$133.96		\$233.77		\$122.46		\$148.73		\$121.08
A6	UEL (A5 x UMA)		\$1,715,647,507		\$443,273,973		\$166,911,924		\$491,428,487		\$251,173,948
3-Add-Ons											
A7	Self-Sufficiency		\$14,582,988		\$1,081,268		\$554,660		\$7,866,431		\$3,080,427
A8	Energy loan amortization		\$17,319,044		\$5,788,124		\$0		\$6,191,758		\$3,515,748
A9	Payment in lieu of taxes (PILOT)		\$95,406,001		\$20,740,189		\$3,142,359		\$16,870,367		\$15,995,862
A10	Cost of independent audit		\$17,349,462		\$234,562		\$906,461		\$3,448,246		\$2,452,457
A11	Funding for resident participation activities		\$25,203,825		\$3,853,650		\$2,618,750		\$6,301,750		\$4,107,925
A12	Asset management fee		\$43,657,092		\$7,644,828		\$5,777,260		\$13,987,784		\$8,747,200
A13	Information technology fee		\$26,648,226		\$3,822,414		\$2,889,492		\$7,001,680		\$4,373,600
A14	Asset repositioning		\$52,021,551		\$0		\$11,276,284		\$21,223,821		\$13,307,368
A15	Cost attributed to changes in federal law, regulation, or economy		\$0		\$0		\$0		\$0		\$0
A16	Total Add-Ons (Sum of A07 through A15)		\$292,188,189		\$43,165,035		\$27,165,266		\$82,891,837		\$55,580,587
A17	Total Formula Expenses (A04 + A06 + A16)		\$6,465,939,847		\$1,456,988,480		\$687,092,789		\$1,697,343,599		\$974,757,112
Part B: Formula Income											
B1	PUM Formula Income		\$179.28		\$305.31		\$100.49		\$161.46		\$171.95
B2	PUM change in utility allowance		(\$1.60)		\$0.00		\$10.65		(\$4.79)		(\$3.72)
B3	PUM adjusted formula income (B01 + B02)		\$177.68		\$305.31		\$111.15		\$156.67		\$168.23
B4	Total Formula Income (B3 x UMA)		\$2,275,617,599		\$578,927,906		\$151,492,344		\$517,648,744		\$348,977,831
Part C: Other Formula Provisions											
C1	Moving-to-Work (MTW)		\$483,894,624		\$0		\$0		\$0		\$0
C2	Transition funding		(\$41,994,400)		\$57,176,029		(\$20,953,573)		\$17,795,440		(\$36,279,796)
C3	Other		\$834,942		\$0		\$0		\$704,880		\$230,164
C4	Total Other Formula Provisions (C1 + C2 +C3)		\$442,735,166		\$57,176,029		(\$20,953,573)		\$18,500,320		(\$36,049,632)
Part D: Calculation of Formula Amount											
D1	Formula calculation (A17 - B4 + C4)		\$4,633,057,414		\$935,236,603		\$514,646,872		\$1,198,195,175		\$589,729,649
D2	Cost of independent audit (A10)		\$17,388,637		\$234,562		\$906,461		\$3,448,246		\$2,452,457
D3	Formula amount (Greater of D01 + D02)		\$4,633,057,414		\$935,236,603		\$514,646,872		\$1,198,195,175		\$589,729,649
Part E: Calculation of Operating Subsidy Eligibility before Adjustments											
E1	Formula amount (D03)		\$4,633,057,414		\$935,236,603		\$514,646,872		\$1,198,195,175		\$589,729,649
E2	Adjustment due to availability of funds		(\$769,035,347)		(\$155,249,276)		(\$85,431,380)		(\$198,900,402)		(\$97,895,124)
E3	HUD discretionary adjustments		\$394,143		\$0		\$0		\$394,143		\$0
E4	Funds Obligated for Period (E01 - E02 - E03)		\$3,864,416,210		\$779,987,327		\$429,215,492		\$999,688,916		\$491,834,525

*Line E1 does not match with total eligibility on other charts due to Lucas Housing Authority's adjustment reported on line E3 (after proration).

Table 19: Summarized HUD-52723 by PHA Size

Line Item	Item	Size Category 3		Size Category 2		Size Category 1		MTW PHAs	
		250 - 499 Units		100 - 249 Units		Less than 100 Units		Unit Months	EUM
		Unit Months	EUM	Unit Months	EUM	Unit Months	EUM		
1a	Number of PPNs		431		857		1,506		13
1c	Units		148,380		134,060		73,464		84,534
Section 2									
Occupied Unit Months									
1	Occupied dwelling units-by PH eligible family	1,659,924	1,659,924	1,493,966	1,493,966	819,830	819,830	0	0
2	Occupied dwelling units-by PH employee, police officer etc:	3,011	0	3,865	0	2,133	0	0	0
3	New units - eligible for subsidy, not included on Lines 1, 2, 5-13	3,412	3,412	4,384	4,384	1,826	1,826	0	0
4	New units - eligible for subsidy from 10/1 to 12/31	477	477	64	64	140	140	0	0
Vacant Unit Months									
5	Units undergoing modernization	29,048	29,048	22,879	22,879	7,664	7,664	0	0
6	Special use units	3,686	3,686	2,922	2,922	1,150	1,150	0	0
6a	Units on Line 2 occupied by police officers and special use units	0	667	0	1,124	0	746	0	0
7	Units vacant due to litigation	594	594	94	94	96	96	0	0
8	Units vacant due to disasters	1,649	1,649	4,307	4,307	2,139	2,139	0	0
9	Units vacant due to casualty losses	1,685	1,685	1,147	1,147	472	472	0	0
10	Units vacant due to changing market conditions	2,524	2,524	3,131	2,949	4,354	4,354	0	0
11	Units vacant and not categorized above	64,594	0	57,972	0	36,885	0	0	0
12	Units eligible for asset repositioning fee and still on ACC	16,011	0	11,872	0	2,196	0	0	0
13	All other ACC units not categorized above	2,748	0	2,805	0	2,864	0	0	0
Calculations based on Unit Months:									
14	Limited vacancies	0	33,895	0	30,115	0	29,679	0	0
15	Total Unit Months	1,789,363	1,737,561	1,609,408	1,563,951	881,749	868,096	0	0
16	Units eligible for funding for resident participation activities	0	0	0	0	0	0	0	0
Special Provision for Calculation of UEL									
17	Unit months included on Line 1 of HUD-52722 and not included on Line 1-11 above	0	0	0	0	0	0	0	0
Section 3									
Part A: Formula Expenses									
1-Project Expense Level (PEL)									
A1	PUM Project expense level (PEL)		\$294.34		\$276.74		\$264.73		\$0.00
A2	Inflation factor		1.03		1.02		1.02		0.00
A3	PUM Inflated PEL (Part A, Line 01 times Line 02)		\$301.90		\$283.61		\$271.16		\$0.00
A4	PEL (A3 x EUM)		\$524,571,824		\$443,544,565		\$235,396,839		\$0
2-Utility Expense Level (UEL)									
A5	PUM utilities expense level (UEL)		\$100.17		\$82.26		\$69.30		\$0.00
A6	UEL (A5 x UMA)		\$174,047,705		\$128,650,211		\$60,161,259		\$0
3-Add-Ons									
A7	Self-Sufficiency		\$1,302,618		\$559,547		\$138,037		\$0
A8	Energy loan amortization		\$1,203,492		\$450,743		\$169,179		\$0
A9	Payment in lieu of taxes (PILOT)		\$14,462,723		\$15,098,989		\$9,095,512		\$0
A10	Cost of independent audit		\$2,845,627		\$3,830,633		\$3,631,476		\$0
A11	Funding for resident participation activities		\$3,472,950		\$3,130,525		\$1,718,275		\$0
A12	Asset management fee		\$7,037,500		\$377,626		\$84,894		\$0
A13	Information technology fee		\$3,578,726		\$3,218,816		\$1,763,498		\$0
A14	Asset repositioning		\$3,583,922		\$2,232,987		\$397,169		\$0
A15	Cost attributed to changes in federal law, regulation, or economy		\$0		\$0		\$0		\$0
A16	Total Add-Ons (Sum of A07 through A15)		\$37,487,558		\$28,899,866		\$16,998,040		\$0
A17	Total Formula Expenses (A04 + A06 + A16)		\$736,107,087		\$601,094,642		\$312,556,138		\$0
Part B: Formula Income									
B1	PUM Formula Income		\$166.70		\$164.89		\$164.19		\$0.00
B2	PUM change in utility allowance		(\$2.87)		(\$2.50)		(\$2.98)		\$0.00
B3	PUM adjusted formula income (B01 + B02)		\$163.83		\$162.39		\$161.21		\$0.00
B4	Total Formula Income (B3 x UMA)		\$284,660,384		\$253,968,754		\$139,941,636		\$0
Part C: Other Formula Provisions									
C1	Moving-to-Work (MTW)		\$0		\$0		\$0		\$483,894,624
C2	Transition funding		(\$38,867,987)		(\$15,598,743)		(\$5,265,770)		\$0
C3	Other		\$0		\$0		(\$100,102)		\$0
C4	Total Other Formula Provisions (C1 + C2 +C3)		(\$38,867,987)		(\$15,598,743)		(\$5,365,872)		\$483,894,624
Part D: Calculation of Formula Amount									
D1	Formula calculation (A17 - B4 + C4)		\$412,578,716		\$331,527,145		\$167,248,630		\$483,894,624
D2	Cost of independent audit (A10)		\$2,845,627		\$3,830,633		\$3,631,476		\$39,175
D3	Formula amount (Greater of D01 or D02)		\$412,578,716		\$331,527,145		\$167,248,630		\$483,894,624
Part E: Calculation of Operating Subsidy Eligibility before Adjustments									
E1	Formula amount (D03)		\$412,578,716		\$331,527,145		\$167,248,630		\$483,894,624
E2	Adjustment due to availability of funds		(\$68,488,072)		(\$55,033,505)		(\$27,711,079)		(\$80,326,509)
E3	HUD discretionary adjustments		\$0		\$0		\$0		\$0
E4	Funds Obligated for Period (E01 - E02 - E03)		\$344,090,644		\$276,493,640		\$139,537,551		\$403,568,115

APPENDIX C: ELIGIBILITY BY STATE

Table 20 shows the total eligibility of PHAs, by State.

Table 20: Eligibility Amount Categorized by State

#	State Code	State Name	Count of PHAs	Total Units	Percent (%)	Total Eligibility
1	AK	Alaska	1	1,323	0.21%	\$ 9,904,720
2	AL	Alabama	147	41,797	3.00%	\$ 138,837,346
3	AR	Arkansas	107	14,729	0.78%	\$ 36,060,351
4	AZ	Arizona	15	6,522	0.45%	\$ 20,962,563
5	CA	California	54	42,138	3.02%	\$ 139,773,356
6	CO	Colorado	47	8,756	0.58%	\$ 26,804,514
7	CT	Connecticut	33	15,667	1.68%	\$ 77,996,005
8	DC	District of Columbia	1	7,953	1.19%	\$ 55,245,108
9	DE	Delaware	4	2,910	0.24%	\$ 10,978,509
10	FL	Florida	82	39,032	2.85%	\$ 132,275,161
11	GA	Georgia	185	47,325	3.36%	\$ 155,580,012
12	GU	Guam	1	750	0.09%	\$ 4,248,736
13	HI	Hawaii	1	5,363	0.36%	\$ 16,700,752
14	IA	Iowa	48	4,487	0.17%	\$ 7,706,285
15	ID	Idaho	10	941	0.03%	\$ 1,463,544
16	IL	Illinois	99	62,973	6.30%	\$ 291,726,430
17	IN	Indiana	41	16,618	1.12%	\$ 51,696,391
18	KS	Kansas	93	8,999	0.45%	\$ 20,792,534
19	KY	Kentucky	104	22,915	1.38%	\$ 64,004,608
20	LA	Louisiana	102	25,628	1.79%	\$ 82,918,383
21	MA	Massachusetts	68	33,277	3.55%	\$ 164,506,796
22	MD	Maryland	25	22,623	2.16%	\$ 99,912,049
23	ME	Maine	20	4,064	0.31%	\$ 14,368,621
24	MI	Michigan	123	23,504	1.40%	\$ 64,955,987
25	MN	Minnesota	124	21,242	1.25%	\$ 57,937,711
26	MO	Missouri	106	18,572	1.03%	\$ 47,647,104
27	MS	Mississippi	52	14,073	0.85%	\$ 39,207,727
28	MT	Montana	10	2,046	0.12%	\$ 5,341,243
29	NC	North Carolina	99	37,478	2.85%	\$ 131,952,577
30	ND	North Dakota	15	1,854	0.08%	\$ 3,575,142
31	NE	Nebraska	98	7,411	0.32%	\$ 14,857,117
32	NH	New Hampshire	15	4,328	0.26%	\$ 12,142,635
33	NJ	New Jersey	80	39,677	4.24%	\$ 196,493,070
34	NM	New Mexico	37	4,627	0.25%	\$ 11,413,513
35	NV	Nevada	4	3,862	0.38%	\$ 17,637,581
36	NY	New York	84	199,119	23.07%	\$ 1,068,849,044
37	OH	Ohio	52	49,313	4.68%	\$ 216,948,528
38	OK	Oklahoma	103	13,133	0.76%	\$ 35,269,434
39	OR	Oregon	18	5,801	0.42%	\$ 19,319,538
40	PA	Pennsylvania	83	66,447	6.71%	\$ 310,937,882
41	RI	Rhode Island	25	9,590	0.72%	\$ 33,427,275
42	RQ	Puerto Rico	1	55,587	3.76%	\$ 174,053,954
43	SC	South Carolina	41	14,913	0.97%	\$ 45,139,905
44	SD	South Dakota	26	1,664	0.07%	\$ 3,337,013
45	TN	Tennessee	85	37,015	2.51%	\$ 116,514,702
46	TX	Texas	352	59,544	3.79%	\$ 175,641,730
47	UT	Utah	12	2,204	0.12%	\$ 5,494,400
48	VA	Virginia	29	20,426	1.76%	\$ 81,420,150
49	VQ	Virgin Islands	1	3,595	0.50%	\$ 23,020,620
50	VT	Vermont	8	1,828	0.09%	\$ 4,321,684
51	WA	Washington	29	15,396	0.94%	\$ 43,663,401
52	WI	Wisconsin	93	12,586	0.57%	\$ 26,201,976
53	WV	West Virginia	31	6,771	0.45%	\$ 20,663,267
54	WY	Wyoming	8	714	0.04%	\$ 1,681,323
	Total		3,132	1,191,110	100.00%	\$4,633,530,007