

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING**

June 16, 2011

9:00 a.m.

**1002 North School Street, Building E
Honolulu, Hawaii 96817**

AGENDA

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF MINUTES

- A. Regular Meeting Minutes, May 19, 2011 (pgs. 001-008)
- B. Executive Session, May 19, 2011

III. PUBLIC TESTIMONY

Public testimony on any agenda item shall be taken at this time. Pursuant to section 92-3, Hawaii Revised Statutes, and section 17-2000-18, Hawaii Administrative Rules, the Board may limit public testimony to three minutes.

IV. DECISION MAKING

- A. Motion: To Adopt Board Resolution No. 48 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2011 – 2012 and to Authorize the Executive Director to Take All Actions Necessary to Implement and Submit Budget Certifications to the U.S. Department of Housing and Urban Development. (pgs. 009-014)
- B. Motion: To Adopt Board Resolution No. 49 Expressing Appreciation to Director Sam Aiona (pgs. 015-016)
- C. Motion: To Adopt Board Resolution No. 50 Expressing Appreciation to Director Rene Berthiaume (pgs. 017 – 018)
- D. Motion: To Adopt Board Resolution No. 51 Expressing Appreciation to Director Sherrilee Dodson (pgs. 019 – 020)

- E. Motion: To Adopt Board Resolution No. 52 Expressing Appreciation to Director Carol Ignacio (pgs. 021 – 022)

V. REPORTS

- A. Board Task Force Reports as Requested by the Board Chair at the Regular Monthly Board Meeting
 - 1. Finance Task Force Report on the Proposed Operating Budget for Fiscal Year 2011-2012; Booking/Handling of Sale Proceeds of Kuhio Park Terrace and Banyan Street Manor; Status of Compliance with Asset Management
 - 2. Personnel Task Force Report on the Evaluation of the Executive Director
The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2) and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to personnel matters.
- B. Executive Director and Staff Reports: May/June 2011 Status Report (pgs. 023 – 038)
 - 1. Accomplishments/Highlights for the month of May 2011
 - 2. Planned Activities – Highlights for the months of June/July 2011
 - 3. Trends/Issues/Potential Risks
 - 4. Program Reports

VI. FOR INFORMATION/DISCUSSION

- A. For Information: *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795) (pg. 039)*

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795)*

- B. For Discussion: Report on the Legislative Audit by the Office of the Auditor (pgs. 040 – 099)

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2), and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities.

- C. For Discussion: Update and Report on Mixed Income Redevelopment at Kuhio Park Terrace and Banyan Street Manor (pg. 100)

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call (808) 832-4690 by close of business two days prior to the meeting date.

**MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BUILDING E,
ON THURSDAY, MAY 19, 2011
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII**

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Meeting at 1002 N. School Street, on Thursday, May 19, 2011 at 9:08 a.m.

The meeting was called to order by Chairperson Travis Thompson and those present and excused were as follows:

PRESENT: Chairperson Travis Thompson
Vice-Chair Eric Beaver
Director Sam Aiona
Director Rene Berthiaume
Director Sherrilee Dodson
Director Patricia McManaman
Director Debbie Shimizu
Director Matilda Yoshioka

Denise Wise	Executive Director
Sandra Ching	Deputy Attorney General
Jennifer Sugita	Deputy Attorney General

EXCUSED: Director Roger Godfrey
Director Carol Ignacio

STAFF PRESENT:	Barbara Arashiro	Executive Assistant
	Clarence Allen	Fiscal Officer
	Shirley Befitel	Personnel Supervisor
	Nicholas Birck	Housing Planner
	Joanna Chaves	Acting Public Housing Supervisor
	Becky Choi	State Housing Development Administrator
	Stephanie Fo	Property Management and Maintenance Services Branch Chief
	Gianna Guitron	Resident Services Program Specialist
	Diane Johns	Property Management Specialist
	Kiriko Oishi	Compliance Officer
	Phyllis Ono	Property Management Specialist
	Taryn Chikamori	Secretary to the Board

OTHERS:	Michi Chang	Kalakaua Homes resident
	Lois McKeon	Kalakaua Homes resident
	David Moakley	Ameresco

Roy Nakamura
Roy Sasaki
Carl Wong
Greg Wongham

Kalakaua Homes resident
Kalakaua resident
private resident
private resident

Proceedings:

Chairperson Thompson declared a quorum present.

The business of the Board proceeded with a motion entered by Director Dodson to approve the minutes of the regular Board of Directors Meeting held on April 21, 2011 and it was seconded by Director Beaver.

Ms. Sugita, Deputy Attorney General, recommended the following amendments:

- 1) Page 29 of the minutes, last paragraph, 4th sentence change the word “descendants” to “decent”
- 2) Page 30 of the minutes, the 4th paragraph from the bottom, delete the phrase “the residents”
- 3) Page 30 of the minutes, 3rd paragraph from the bottom, change the name “Hosing” to “Hosino”
- 4) Page 33 of the minutes, 4th paragraph, change the name “Michael’s” to “Michaels”

The minutes were unanimously approved as amended.

The business of the Board proceeded with a motion entered by Director Dodson to approve the minutes of the Special Board of Directors Meeting held on May 5, 2011 and it was seconded by Director Yoshioka.

Ms. Sugita, Deputy Attorney General, recommended the following amendment:

- 1) Page 36 of the minutes, first paragraph of the For Action after the last paragraph add, “The completion on the freight elevator repair is delayed due to the collapse of the incinerator wall and that delay also impacted the completion of the trash chutes.”
- 2) Page 37 of the minutes, 3rd paragraph, delete the additional phrase “in a”.

The minutes were unanimously approved as amended.

Chairperson Thompson asked for a motion to allow videotaping as the Board policy states that “videotaping of the Board meeting requires the express consent of the Board.” The motion was presented due to the fact that there was a gentleman present with a video camera.

Ms. Sugita stated the Office of Information Practices (OIP) opinion is that there is no requirement to allow videotaping, but it recommends that the Board allow videotaping.

Director McManaman questioned who is doing the videotaping. Mr. Greg Wongham stated he was asked by residents of Kalakaua Homes to videotape the public testimony.

Motion: To allow videotaping of this meeting by Mr. Greg Wingham

Director Dodson moved and Director Beaver seconded.

The motion was unanimously carried.

Public Testimony:

Ms. Michi Chang, Kalakaua Homes resident, testified that the Chinese Culture & Education Center would like to help check license plate numbers for visitors. They would also like a small area for recreation and gardening. They would also like to help in case of emergencies.

Mr. Roy Nakamura, Kalakaua Homes resident, testified that Ms. Kamalani Rodrigues, Deputy Manager at Kalakaua Homes, opened someone's private mail. He also stated that he went to see Ms. Linda Smith two years ago at the State Capitol to request permission to use the multi-purpose room. He also stated he doesn't understand how staff can be promoted and receive more pay when the State is in financial hardship.

For Action:

Motion: To Approve the Reappointment of Ms. Jane Moana Gray, Ms. Radiant Chase, Mr. Earl Mente, Ms. Joyce Nakamura, Mr. Solomon Kuresa, Mr. Wayne Fujikane, Ms. Sylvianne Young to the Oahu Eviction Board, Mr. James DeMello, Mr. George DeMello, Ms. Eleanor Garcia to the Hilo Eviction Board and Mr. Ross Oue to the Kona Eviction Board For a Two Year Term Expiring on July 31, 2013; and to Approve the Reappointment of Ms. Jane Moana Gray to the Hilo, Kauai, Kona and Maui Eviction Board For a Two Year Term Expiring on June 30, 2013.

Director Beaver moved and Director Berthiaume seconded.

The motion unanimously carried.

Motion: To Approve the Appointment of Ms. Elaine Watai to the Kona Eviction Board for a Two Year Term Expiring on May 31, 2013.

Director Beaver moved and Director Dodson seconded.

Chairperson Thompson questioned if there is a plan to increase Eviction Board members for the neighbor islands. Staff reported that the Hearings Office has a list and vacancies are filled from that list.

The motion was unanimously carried.

Motion: To Authorize the Executive Director to Adopt Updated Utility Allowance Rates Provided by National Facilities Consultants for the Fiscal Year July 1, 2011 to June 30, 2012 for the Federal Low Income Public Housing Program.

Director Dodson moved and Director Beaver seconded.

Staff stated that utility allowance rates are annually updated. Staff further explained that the utility allowances were only for those tenants that pay utilities. The underlying theory of a utility allowance is that when utilities are not included in rent, there is more of a housing burden than a tenant whose rent includes utilities (assuming the two rents are the same). A utility allowance provides compensation to a tenant who pays utility bills out of his own pocket. Further, if the tenant's income is so low that the utility allowance exceeds the amount of the rent due from the tenant, the housing authority must pay the difference directly to the tenant, or pay it to the utility company on behalf of the tenant. The rent, including utilities, may not be higher than 30% of a tenant's income.

Chairperson Thompson questioned which percentage of units these rates cover. Staff reported that about two-thirds of HPHA's projects were covered by the proposed utility rates.

The motion was unanimously carried.

Motion: To Recommend Approval of the Option to Purchase the Fee Interest at 100% of Fair Market Value of the Banyan Street Manor Property as Set Forth in Section 34 of the Lease Between the City and County of Honolulu and the Hawaii Public Housing Authority.

Director Beaver moved and Director Yoshioka seconded.

Staff reported that there was an additional change to the lease with the City and County of Honolulu for Banyan Street Manor. The change involved the Option to Purchase the fee interest for the Banyan Street Manor property. The current lease with the City and County of Honolulu for the subject property has an Option to Purchase the Fee Interest provision; however it is set at 75% of Fair Market Value (FMV). The new lease has changed the provision to a 100% of FMV of the Banyan Street Manor Property.

The base for the sale price will be at a 100% of FMV and then all other considerations for the appraisal will be deducted from the base. The property has been financed with 9% Low Income Housing Tax Credits, which further restricts the use of the property, as does the Housing Assistance Payments contract.

There is also a provision in the lease that should there be a dispute regarding the FMV, a second appraisal could be sought.

The motion was unanimously carried.

Chairperson Thompson called a recess at 9:55 a.m. and reconvened at 10:08 a.m.

Board Task Force Report:
Orientation for New Board Members

Chairperson Thompson asked that staff plan and organize Board training for the September Board meeting. Although Director Dodson will not be on the Board she offered to help plan the Board training. Staff accepted Director Dodson's offer. Chairperson Thompson stated some of the items that were covered in the prior training included ethics, the "sunshine law", Office of Information Practices, and background on the HPHA's projects.

Chairperson Thompson asked Director Dodson to work with staff and report back at the next Board meeting.

Executive Director's Report Accomplishments:

Kuhio Park Terrace and Banyan Street Manor

Staff reported that the Kuhio Park Terrace (KPT) deal closed on May 12 at 5:35 a.m. The HPHA has received net sale proceeds of \$3.1 million and the HPHA will receive deferred developer fees of \$3 million over the next 24-30 months.

Staff reported that the Banyan Street Manor documents were being signed.

Chairperson Thompson asked that the Finance Task Force meet regarding how to handle the KPT and Banyan Street Manor sale proceeds, the legislative audit, and the HPHA's proposed budget for 2011-2012.

Ms. Wise expressed her appreciation to staff for all their hard work on the KPT deal.

Compliance Office (CO)

Staff reported that the HPHA is launching the language access task force which is working with Applications and Section 8 staff. The public contact that they have on a daily basis makes these two programs a logical starting place to launch the language access task force.

Director McManaman stated that federal and state laws require HPHA to provide translators and translate vital documents. Director McManaman further added that the State law mirrors the Federal guidelines which call for interpreter or translation service for a population of a 1000+ people or when the group represents 3+% of population.

Property Management and Maintenance Services Branch (PMMSB)

Staff reported that the backup tank-less water heaters for the Mayor Wright Homes are 71% complete and currently ahead of schedule. There are only seven buildings left out of 34 total buildings.

Fiscal Management Office (FMO)

Staff reported that all asset management projects (AMPs) receive hard copies of their budgets from Fiscal Management Office (FMO) and that the Fiscal Officer is working with the AMPs on refining their budgets.

Chairperson Thompson asked if the HPHA will meet the U.S. Department of Housing and Urban Development (HUD) requirements on asset management. After much discussion, staff clarified that HPHA will meet the requirements; however, currently to provide the AMPs with monthly financials it is burdensome given the current accounting software that is being used. FMO must run separate reports in order to provide the AMPs with their financials. The current software is limited functionally, runs on a DOS based operating system, and does not allow the AMPs to run their own reports. The HPHA is in the process of upgrading its software to the Elite version, which is window based and will provide the AMPs the ability to run reports after the cut-off date. This flexibility will provide the AMPs timely information.

Chairperson Thompson asked that an update on asset management be included in the Finance Task force meeting.

Hearings Office (HRO), Information and Technology Office (ITO)

The Board reviewed the reports and there were no questions.

Planning and Evaluation Office (PEO)

Staff reported that the HPHA was informed that it was not in compliance with Act 178 SLH 2006, which requires HPHA to report to the Department of Land and Natural Resources (DLNR) gross income on any concessions, (e.g., laundry) on ceded lands. The HPHA had not reported since 2006 and it was determined that this was a result of the bifurcation of the agency. A percentage of the gross income is to be sent to the Office of Hawaii Affairs (OHA). The HPHA has submitted all reports and is now in compliance and the HPHA does not make any profit so the HPHA does not owe any money to OHA.

Chairperson Thompson called for a scheduled recess at 11:00 a.m. and reconvened at 1:34 p.m.

Staff reported that the HPHA received a call from the Ombudsman office because the current communications policy instructs staff to refer all inquiries and all calls to the Executive Director's office. The Ombudsman's Office believed this to be burdensome and could create a delay in an inquiry and/or investigation therefore, the HPHA made the changes to the communication procedures to enable staff to speak directly with the Ombudsman's office.

Property Management and Maintenance Services Branch (PMMSB)

Chairperson Thompson stated out of 190 units 40-50 units are vacant on Maui. He further stated that this had been the condition for at least 5 years and he questioned at what point was something going to be done about this long standing issue. Staff responded that an Invitation for Bid (IFB) for design and construction should be going out in the next 45 days.

Chairperson Thompson asked for a report on the vacancies for Maui.

Chairperson Thompson asked how the HPHA chooses which projects receive security. Staff responded that Mayor Wright Homes (MWH), Kalihi Valley Homes (KVH), Makamae, Puuwai Momi, and Kalakaua Homes already have security and receive \$1.5 million in State funds.

Director Berthiaume suggested that the HPHA not only look into allowing Honolulu Police Officer(s) to live in one of the units, but also Sheriff(s). Staff reported that currently, only one (1) police officer currently lives in public housing rent free.

Motion: To go into executive session at 1:51 p.m. pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to the *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795)*.

Motion: To go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to the pending litigation as related to the Rock Fall at Kalihi Valley Homes

Director Dodson moved and Director Yoshioka seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 2:02 p.m.

Motion: To go into executive session at 2:03 p.m. pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to discussion with Department of Attorney General regarding compliance issues concerning the Annual Contributions Contract and the Corrective Action Order

Director McManaman moved and Director Yoshioka seconded.

The motion was unanimously carried.

First Deputy Attorney General Russell Suzuki entered the meeting at approximately 2:10 pm.

The Board reconvened from Executive Session at 3:02 p.m.

Motion: To go into executive session at 3:03 p.m. pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to the pending litigation as related to the Rock Fall at Kalihi Valley Homes and to approve the Executive Session minutes for the month of January, February, March, April, and May Special meeting.

Director Aiona moved and Director Dodson seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 3:08 p.m.

Chairperson Thompson requested that staff provide him with a copy of the ACC and CAO by the end of the week.

With no further business for the board to conduct Chairperson Thompson called for a motion to adjourn.

Director Aiona moved to adjourn and Director Dodson seconded.

The motion unanimously carried.

The meeting adjourned at 3:10 p.m.

MINUTES CERTIFICATION

Minutes Prepared by:


Taryn T. Chikamori
Secretary to the Board/Recording Secretary

JUN 16 2011
Date

Approved by the HPHA Board of Directors at their Regular Meeting on June 16, 2011


Matilda Yoshioka
Director/Board Secretary

JUN 16 2011
Date

FOR ACTION

MOTION: To Adopt Resolution No. 48 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2011 – 2012 and to Authorize the Executive Director to Take All Actions Necessary to Implement and Submit Budget Certifications to the U.S. Department of Housing and Urban Development

I. FACTS

- A. The Hawaii Public Housing Authority (HPHA) is required to prepare and present an annual budget to the Board of Directors for approval.
- B. The budget must be prepared based on requirements of the U.S. Department of Housing and Urban Development (HUD) and submitted prior to the fiscal year start date of July 1st.

HUD's requirements as detailed in Supplement to HUD Handbook 7475.1 Rev CHG-1, Financial Management Handbook are as follows:

1. Operating budgets shall be developed for each Asset Management Project (AMP).
2. There is no specific budget format, including for those troubled public housing agencies that must submit their budget to HUD for approval.
3. While there will be no uniform/required format, all budgets must be easily reconcilable to Financial Data Submittal (FDS) line items.
4. Public housing agencies shall develop and maintain AMP budgets that allow for comparative analysis of budgeted line items to actual revenues and expenses.
5. Operating budgets shall include estimates for all revenue and expenses under the Operating Fund and Capital Fund Programs (CFP) that directly or indirectly support the operations of the AMP, as well as capital expenses to be paid with operating funds, including all data needed to complete AMP-based financial statements in accordance with generally accepted accounting principles (GAAP). In this context, the operating budget should

contain such CFP activities as operating transfers, management improvements, or other CFP activity allowed by the program that is not capital in nature (for example, a vacancy reduction program which is aimed at marketing).

6. Operating budget revenues shall include operating subsidy, dwelling rents, Capital Fund used for non-capital activities, and all other revenue used to support the AMP. Subsidy levels should be based on the project formula components (i.e., the AMP's project expense level, utility expense level, add-ons, and formula income), with an estimate of the projected proration percentage. Budgets should also include any "transfers" under the "fungibility" provisions of the final rule.
7. Operating budget expenses shall include, but are not limited to, direct administrative costs, utilities, maintenance, security, general expenses, and non-routine or capital expenses to be paid with operating funds. These categories also include any COCC front-line costs charged as fee-for-service. The budgets should also show any anticipated uses of excess cash expected to be generated by the AMP. Such amounts will be made available for transfer to other AMPs, paid under the asset management fee, or for any other eligible purposes.
8. AMP operating budgets must be approved by the PHA's Board before the commencement of the fiscal year; however, the Board does not need to pass a resolution for each project budget. Operating budgets for all or multiple AMPs can be approved with a Board joint vote. The Board resolution must be filed at the local field office (HUD-Form 52574).

II. DISCUSSION

- A. Fiscal Year 2011-2012 represents the first year of full compliance with asset management as defined by HUD's Asset Management model which requires federal public housing to adopt a business model similar to multi-family housing, with project-based budgeting, project-based accounting and project-based management.
- B. Major expenditures such as capital expenditures are separately budgeted and funded by capital dollars from the State and HUD and are not paid for by the AMPs through operations. The asset is depreciated and reflected in each associated AMP's profit and loss once it is placed into service. Thus, the profitability of the AMP is analyzed prior to depreciation expense as this is a non-cash item.

- C. Attached for the Board's review and consideration are the proposed operating budgets by AMP and HPHA Consolidated with budget narrative.

III. RECOMMENDATION

That the Board of Directors Adopt Resolution No. 48 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2011 – 2012 and to Authorize the Executive Director to Take All Actions Necessary to Implement and Submit Budget Certifications to the U.S. Department of Housing and Urban Development

Prepared by: Clarence Allen, Fiscal Officer _____

RESOLUTION NO. 48

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION APPROVING THE HAWAII PUBLIC HOUSING AUTHORITY'S OPERATING BUDGET FOR FISCAL YEAR 2011 – 2012 AND TO AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT AND SUBMIT BUDGET CERTIFICATIONS TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, all statutory and regulatory requirements have been met;

WHEREAS, the HPHA has sufficient operating reserves to meet the working capital needs of its developments;

WHEREAS, proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;

WHEREAS, the budget indicates a source of funds adequate to cover all proposed expenditures;

WHEREAS, the HPHA will comply with the wage rate requirement under 24 CFR 968.11(c) and (f);

WHEREAS, the HPHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i); and

WHEREAS, this joint Resolution is intended to apply to all Asset Management Projects (AMPs) and Programs under the HPHA's jurisdiction.

NOW THEREFORE, BE IT RESOLVED, that the HPHA Board of Directors do hereby adopt this Resolution No. 48 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2011-2012.

The UNDERSIGNED, hereby certifies that the foregoing resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on June 16, 2011 in Honolulu, Hawaii.



Travis O. Thompson, Chairperson

PHA Board Resolution
Approving Operating Budget

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp.12/31/2012)

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Hawaii Public Housing Authority

PHA Code: HI001

PHA Fiscal Year Beginning: July 1, 2011

Board Resolution Number: 48

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

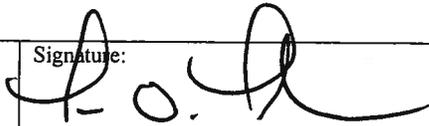
- Operating Budget approved by Board resolution on: 06/16/2011
- Operating Budget submitted to HUD, if applicable, on:
- Operating Budget revision approved by Board resolution on:
- Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name: Travis O. Thompson	Signature: 	Date: JUN 16 2011
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**FOR ACTION
(Continued)**

MOTION: To Adopt Resolution No. 48 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2011 – 2012 and to Authorize the Executive Director to Take All Actions Necessary to Implement and Submit Budget Certifications to the U.S. Department of Housing and Urban Development

Attachments: Budget Narrative
Operating Budget(s)

The attachments for this For Action are forthcoming.

FOR ACTION

MOTION: To Adopt Board Resolution No. 49 Expressing Appreciation to Director Sam Aiona

I. FACTS

- A. Director Aiona is a member of the Hawaii Public Housing Authority's Board of Directors.

II. DISCUSSION

- A. Director Aiona's appointed term will end on June 30, 2011.

III. RECOMMENDATION

That the Board of Directors Adopt Board Resolution No. 49 Expressing Appreciation to Director Sam Aiona of the Hawaii Public Housing Authority's Board of Directors

Prepared by: Barbara E. Arashiro, Executive Assistant 

RESOLUTION NO. 49

EXPRESSING APPRECIATION TO DIRECTOR SAM AIONA

WHEREAS, Director Sam Aiona is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors; and

WHEREAS, when appointed to the HPHA Board, Director Aiona was the Executive Director of the Office of Community Services and he brought with him a wealth of experience managing programs and services for low income families;

WHEREAS, Director Aiona worked tirelessly to improve services and programs for the families in the HPHA's programs;

WHEREAS, Director Aiona maintained effective communication regarding the needs of low income families with the HPHA's Board of Directors, the Office of the Executive Director, the Hawaii State Legislature, and the U.S. Department of Housing and Urban Development; and

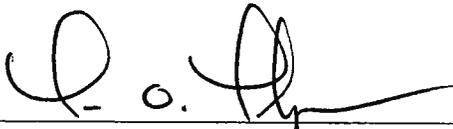
WHEREAS, Director Aiona has been instrumental in resolving policy issues serving on numerous task force committees for the Board; and

WHEREAS, in his role as a Board member, Director Aiona was particularly interested in resolving conflicts between HPHA staff and tenants, and actively encouraged the formation of resident associations; and

WHEREAS, the HPHA's Board of Directors hold Director Aiona in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 49 Expressing Appreciation to Director Sam Aiona on this 16th day of June 2011;

AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Sam Aiona reflecting sincere appreciation of the Board for his contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



Travis O. Thompson, Chairperson



R. Eric H. Beaver, Vice Chair



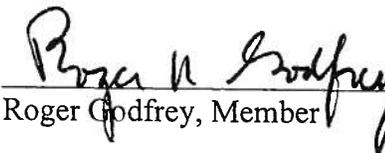
Matilda A. Yoshioka, Secretary



Rene Berthiaume, Member



Sherrilee K. Dodson, Member



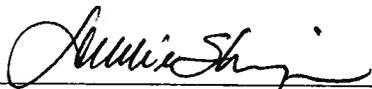
Roger Godfrey, Member



Carol R. Ignacio, Member



Patricia McManaman, Member



Debbie Shimizu, Member



FOR ACTION

MOTION: To Adopt Board Resolution No. 50 Expressing Appreciation to Director Rene Berthiaume

I. FACTS

A. Director Berthiaume is a member of the Hawaii Public Housing Authority's Board of Directors.

II. DISCUSSION

A. Director Berthiaume's appointed term will end on June 30, 2011.

III. RECOMMENDATION

That the Board of Directors Adopt Board Resolution No. 50 Expressing Appreciation to Director Rene Berthiaume of the Hawaii Public Housing Authority's Board of Directors

Prepared by: Barbara E. Arashiro, Executive Assistant 

RESOLUTION NO. 50

EXPRESSING APPRECIATION TO DIRECTOR RENE BERTHIAUME

WHEREAS, Director Rene Berthiaume is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors; and

WHEREAS, Director Berthiaume worked tirelessly to improve services and programs for the families in the HPHA's programs; and

WHEREAS, Director Berthiaume maintained effective communication regarding the needs of low income families with the HPHA's Board of Directors, the Office of the Executive Director, the Hawaii State Legislature, and the U.S. Department of Housing and Urban Development; and

WHEREAS, Director Berthiaume has been instrumental in resolving policy issues serving on numerous task force committees for the Board; and

WHEREAS, in his role as a Board member, Director Berthiaume was particularly interested in supportive service and employment training efforts, and actively encouraged the formation of resident associations; and

WHEREAS, the HPHA's Board of Directors hold Director Berthiaume in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 50 Expressing Appreciation to Director Rene Berthiaume on this 16th day of June 2011;

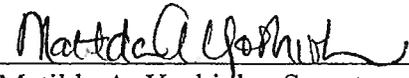
AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Rene Berthiaume reflecting sincere appreciation of the Board for his contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



Travis O. Thompson, Chairperson



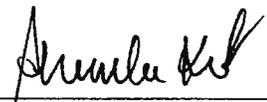
R. Eric H. Beaver, Vice Chair



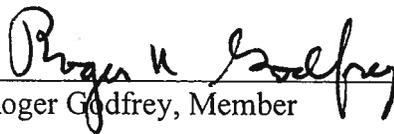
Matilda A. Yoshida, Secretary



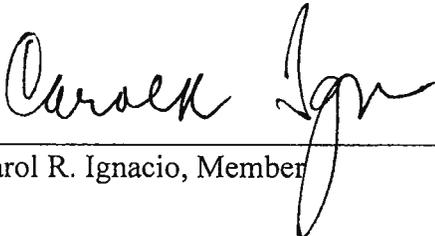
Sam Aiona, Member



Sherrilee K. Dodson, Member



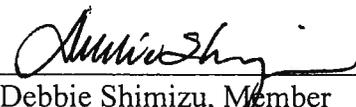
Roger Godfrey, Member



Carol R. Ignacio, Member



Patricia McManaman, Member



Debbie Shimizu, Member



FOR ACTION

MOTION: To Adopt Board Resolution No. 51 Expressing Appreciation to Director Sherrilee Dodson

I. FACTS

A. Director Dodson is a member of the Hawaii Public Housing Authority's Board of Directors.

II. DISCUSSION

A. Director Dodson's appointed term will end on June 30, 2011.

III. RECOMMENDATION

That the Board of Directors Adopt Board Resolution No. 51 Expressing Appreciation to Director Sherrilee Dodson of the Hawaii Public Housing Authority's Board of Directors

Prepared by: Barbara E. Arashiro, Executive Assistant 

RESOLUTION NO. 51

EXPRESSING APPRECIATION TO DIRECTOR SHERRILEE DODSON

WHEREAS, Director Sherrilee Dodson is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors; and

WHEREAS, as the Executive Director for Habitat for Humanity on Maui and a lawyer by education, Director Dodson brought with her a wealth of housing and construction experience which was reflected in her thoughtful inquiries, discussions and decisions at the Board level; and

WHEREAS, Director Dodson worked tirelessly to improve services and programs for the families in the HPHA's programs; and

WHEREAS, Director Dodson has been instrumental in resolving policy issues, serving on numerous task force committees and volunteering to coordinate Board training; and

WHEREAS, in her role as a Board member, Director Dodson was particularly interested in increased accountability; and

WHEREAS, the HPHA's Board of Directors hold Director Dodson in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 51 Expressing Appreciation to Director Sherrilee Dodson on this 16th day of June 2011;

AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Sherrilee Dodson reflecting sincere appreciation of the Board for her contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



Travis O. Thompson, Chairperson



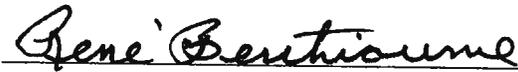
R. Eric H. Beaver, Vice Chair



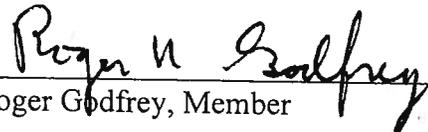
Matilda A. Yoshioka, Secretary



Sam Aiona, Member



Rene Berthiaume, Member



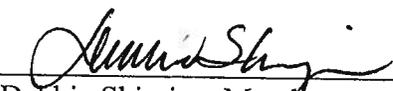
Roger Godfrey, Member



Carol R. Ignacio, Member



Patricia McManaman, Member



Debbie Shimizu, Member



FOR ACTION

MOTION: To Adopt Board Resolution No. 52 Expressing Appreciation to Director Carol Ignacio

I. FACTS

A. Director Ignacio is a member of the Hawaii Public Housing Authority's Board of Directors and represents the island of Hawaii.

II. DISCUSSION

A. Director Ignacio's appointed term will end on June 30, 2011.

III. RECOMMENDATION

That the Board of Directors Adopt Board Resolution No. 52 Expressing Appreciation to Director Carol Ignacio of the Hawaii Public Housing Authority's Board of Directors

Prepared by: Barbara E. Arashiro, Executive Assistant 

RESOLUTION NO. 52

EXPRESSING APPRECIATION TO DIRECTOR CAROL IGNACIO

WHEREAS, Director Carol Ignacio is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors and represents the island of Hawaii; and

WHEREAS, Director Ignacio is the Executive Director of the Office for Social Ministry and brought with her a wealth of experience as a policy maker providing oversight to supportive service and homeless programs;

WHEREAS, Director Ignacio worked tirelessly to improve services and programs for the families in the HPHA's programs, as demonstrated in her emphasis on the quality of services and focus on program outcomes; and

WHEREAS, Director Ignacio has been instrumental in resolving policy issues serving on numerous task force committees for the Board and was a strong proponent for increased accountability by staff and contractors; and

WHEREAS, the HPHA's Board of Directors hold Director Ignacio in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 52 Expressing Appreciation to Director Carol Ignacio on this 16th day of June 2011;

AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Carol Ignacio reflecting sincere appreciation of the Board for her contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



Travis O. Thompson, Chairperson



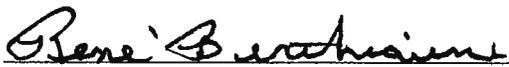
R. Eric H. Beaver, Vice Chair



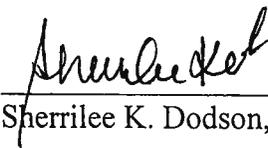
Matilda A. Yoshioka, Secretary



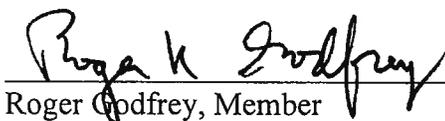
Sam Aiona, Member



Rene Berthiaume, Member



Sherrilee K. Dodson, Member



Roger Godfrey, Member



Patricia McManaman, Member



Debbie Shimizu, Member



Executive Director's May/June 2011 Board Status Report

Accomplishments:

Agency-Wide:

- Closed on Banyan Street Manor. Concurrent real estate transaction with Kuhio Park Terrace
- Conducted first training for Eviction Hearings Officers and AMP managers. John Wong, Deputy Attorney General conducted session and was very well received. Over 40 participants.

Compliance Office:

- Distributed an Interoffice Memorandum reminding managers of Violence Against Women Act (VAWA) provisions, and providing written translations of the VAWA notice and lease addendum in 7 foreign languages.
- Worked on new forms and streamlined procedures for reasonable accommodation requests
- Provided face-to-face tutorials for in-house staff to review the steps involved in handling calls from Limited English Proficient callers

Construction Management Branch:

Large Capacity Cesspools:

- A report was submitted to the EPA that summarizes the status of all properties subject to the CA/FO statewide, including properties now under the jurisdiction of Hawaii Housing Finance Development Corporation (HHFDC) and the Department of Education (DOE). The report also briefly described the impact of the soil contamination in Kilauea and the distribution of responsibility and oversight among HPHA, HHFDC and DOE.

Contracts and Procurement:

For Solicitations and Contracts Issued in May 2011 see Board Report:

Fiscal Office:

- Prepared 2011/2012 budget
- Working with auditing firm on the HPHA's financial and single audit for FY 2011

Planning and Evaluation Office:

- Worked with PMMSB, Compliance Office, OED, and ATG regarding medical marijuana policy pending research from AG's office.
- Attended Project Advisory Committee (PAC) with OED re: Kalihi Transportation Oriented Design (TOD) planning
- Assisted with draft response to Legislative Auditor's Management Audit

Property Management:

- As of May 31, 2011, rent collections for HPHA Federal properties was 89.33% (a decrease from 93.43% in April)
- As of May 31, 2011, rent collections for HPHA State properties were 91.40% (a decrease from 99.49% in April).
- For both Federal and State rent collections the month of May seems to trend low when compared to the same period in the previous year. The trend suggests that the holiday in May contributes to a delay in tenants receiving their rent invoices which leads to later payments. Should this be an accurate assessment the June rent collects should trend up.

Personnel:

Recruitment:

- Interviews held, results/start date/job offers:
 - Public Housing Supervisor VI (PMMSB). No selection.
 - Public Housing Supervisor III TAOL (AMP 38). Pending recommendation.
 - Public Housing Specialist I (AMP 38). Start 6/7/11.
 - Public Housing Specialist I (AMP 39). Pending start date.
 - Personnel Clerk IV (Personnel Office). Pending recommendation.
 - Building Maintenance Worker I (AMP 32/33). Start date 6/13/11.
 - Building Maintenance Worker I (AMP 38). Pending start date.
 - Carpenter I (AMP 35). No selection.
 - Truck Driver (AMP 32/33). Start date 6/16/11.

Training:

- Staff attended the following trainings:
 - Standard First Aid
 - Insurance Requirements for Contracts
 - Public Housing Authorities for Directors – Annual Conference and Exhibition
 - Intra & Out of State Travel Procedure
 - Small Purchases
 - 2011 Hawaii Build and Buy Green- Brownfields Redevelopment Conference and Expo and Hawaii Green Workforce Development
 - HePS Award
 - Workplace Violence Training Program
 - Pre-Retirement Review
 - Beyond Buyers Basic – Contracts and Procurement

Planned Activities for May/June:

Compliance Office:

- Coordinate with the Department of the Attorney General to present Fair Housing training sessions for Applications and Section 8 offices;

- Attend quarterly Fair Housing meeting with the US Department of Housing and Urban Development, Hawaii Civil Rights Commission, and other fair housing officers statewide to discuss and share strategies to affirmatively further fair housing;

Construction Management Branch:

Large Capacity Cesspools

- The Department of the Attorney General will assist in drafting the necessary documents requesting the cancellation of Executive Orders relating to the HPHA’s responsibilities on the Teacher’s Cottages in Maui and Hawaii counties. Issuing management and control to the Department of Education (DOE), in reference to CA/FO requirements of the EPA
- A Supplemental Contract is being issued to procure the assistance of an environmental consultant to prepare a detailed Work Plan which requires approval of the DOH. The Work Plan includes the steps to soil management in Kilauea and on how HPHA will deal with the soil contamination and work involving the top two feet layer of soil. This soil remediation may impact future construction work.

Contract and Procurement Office

Solicitation(s):

Issue Request-for-Proposals for Energy Performance Consultant Services.

Issue Request-for-Proposals to Furnish Property Management, Maintenance and Resident Services for Asset Management Project 49 on the Island of Oahu.

Issue Request-for-Proposals to Furnish Property Management, Maintenance and Resident Services for Asset Management Project 50 in the Island of Oahu.

Contract(s)

- Award contract to conduct an assessment of the Hawaii Public Housing Authority’s compliance with the Fair Housing Amendments Act of 1988, the Americans with Disabilities Act (Section 504), Violence Against Women Act (VAWA) Section 515-3, Hawaii Revised Statutes, and related State and Federal laws in its Federal and State Public Housing Programs and its non-dwelling facilities.
- Award laundry concession services for Kaneohe Apartments, Hookipa Kahaluu, and Kauhale Ohana under Asset Management Project 45 on the island of Oahu.
- Execute supplemental contract with All Tree Services for an additional 170-day period for tree trimming services at Asset Management Projects 32, 33, 44, 45 and 49 on the island of Oahu.

Property Management:

- Preparing for upcoming REAC inspections
- Reviewing budgets and previous financial performance of the AMPs.

Fiscal Office:

- Preparing for the fiscal year audit 2011. Working with auditors on field work
- Reviewing financial software and planning implementation.

Personnel:

Recruitment:

- Account Clerk II (AMP 30). Pending DHRD to schedule.
- Welder I. Pending internal vacancy announcement.
- Housing Planner
- Resident Services Specialist

Safety:

- Contract renewal for medical examinations (fit for duty, respirator testing)
- Contract renewal for mediation services.

Planning and Evaluation Office:

- Ongoing tracking of grant opportunities Grants.gov, and HUD PIH Notices
- Beginning HAR revision processes for PMMSB
- Coordinating with AG, Compliance and PMMSB regarding recommended medical
- Completing more grant applications, particularly FSS, PH-FSS, and ROSS-SC
- Researching and developing potential Choice Neighborhoods planning grant application

ARRA ACTUAL/PROJECTED WORK-IN-PLACE DETAIL

	Actual	Projected	Total	Makua Ali (Const.Mgt.)	KVH	Kaimalino/ Kealakehe	Hale Hauoli	Makani Kai Hale	Makua Ali (Const.)	Kalakaua	Kahekili Terrace	Kalanihula	Administration
MAR '10	801,688.00		801,688.00		200,000.00								601,688.00
APR	589,557.04		589,557.04		325,000.00	264,557.04							
MAY	630,992.76		630,992.76		270,283.55	283,431.88			77,277.33				
JUN	1,058,697.88		1,058,697.88		225,000.00	523,091.07		102,953.74	61,749.07		125,574.00	20,330.00	
JUL	888,528.75		888,528.75	27,645.00	300,456.00	179,703.63			277,997.82		102,726.30		
AUG	1,221,298.67		1,221,298.67	27,645.00	229,682.45	213,097.48		230,000.00	173,965.17	182,012.77	164,895.80		
SEPT	1,436,175.98		1,436,175.98	27,645.00	4,493.00	158,461.24		291,947.17	212,603.45	337,332.17	236,281.65	167,412.30	
OCT	1,090,632.75		1,090,632.75	27,645.00		121,897.00		176,575.00	7,068.00		757,447.75		
NOV	2,100,096.16		2,100,096.16	27,645.00		34,612.30		264,047.00	465,322.98	181,468.88	1,127,000.00		
DEC	1,557,385.95		1,557,385.95	27,645.00		126,898.00	319,397.36	233,915.85	228,421.00	79,738.74	541,370.00		
JAN '11	911,110.39		911,110.39	26,600.00	8,678.00	10,000.36	32,751.14	218,927.27	197,381.00		416,772.62		
FEB	677,684.31		677,684.31	14,370.72	3,439.38		17,919.54	110,861.87	133,283.00		388,686.80	9,123.00	
MAR	706,489.60		706,489.60	14,470.00			278,616.52		140,750.81		272,652.27		
APR	476,655.56		476,655.56	14,470.00			437,500.00		73,177.55		284,907.76		-333,399.75
MAY	777,719.90		777,719.90	14,470.00			290,000.00	22,536.69	75,713.21		375,000.00		
JUN		792,570.19	792,570.19	14,470.00			472,851.00		5,249.19		300,000.00		
JUL		401,765.61	401,765.61	18,056.25			140,166.52				243,542.84		
AUG		18,056.25	18,056.25	18,056.25									
SEPT		18,056.25	18,056.25	18,056.25									
OCT		18,056.25	\$18,056	18,056.25									
NOV		18,056.25	\$18,056	18,056.25									
DEC		18,056.25	\$18,056	18,056.25									
JAN '12		18,056.25	\$18,056	18,056.25									
FEB		18,056.25	\$18,056	18,056.25									
MAR													
	\$14,924,714	\$1,320,730	\$16,245,443	409,170.72	1,567,032.38	1,915,750.00	1,989,202.08	1,651,764.59	2,129,959.58	780,552.56	5,336,857.79	196,865.30	268,288.25

Total Value of Work In Place to Date	\$14,924,714	\$250,251	\$1,567,032	\$1,915,750	\$1,376,185	\$1,651,765	\$2,124,710	\$780,553	\$4,793,315	\$196,865
% Work In Place to Date	91.87%	61.16%	100.00%	100.00%	69.18%	100.00%	99.75%	100.00%	89.82%	100.00%
60% amount needed	\$ 9,747,266	\$ 245,502	\$ 940,219	\$ 1,149,450	\$ 1,193,521	\$ 991,059	\$ 1,277,976	\$ 468,332	\$ 3,202,115	\$ 118,119

As of 6/1/2011

**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)
EXPENDITURE REPORT**

Current Date:

6/9/2011 8:45

Project	Contract No.	NTP Issued	Contract Amount	Reporting Year 1				Reporting Year 2				Total	% Complete
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
				.Oct-Dec 09	Jan-Mar 10	Apr-Jun 10	Jul-Sep 10	Oct-Dec 10	Jan-Mar 11	Apr-Jun 11	Jul-Sep 11		
Makua Aili - Construction Mgt. Service (SSFM International, Inc.)	CMS 08-39-SA02	N/A	\$409,171.00				\$55,290.00	\$82,935.00	\$68,615.72	\$28,940.00		\$235,780.72	57.62%
Kalihi Valley Homes - Site & Dwelling Improvements, Phase 4A (Rainforest G Construction, LLC)	CMS 09-15-CO01	10/26/2009	\$1,563,593.00			\$525,000.00	\$1,024,966.00	\$4,949.00	\$8,677.10	\$2,785.38		\$1,566,377.48	100.18%
Kaimalino & Kealakehe - Reroofing & Misc. Repairs (Coastal Construction, Inc.)	CMS 10-01	2/1/2010	\$1,915,750.00			\$547,988.92	\$915,892.18	\$314,970.15	\$136,898.75			\$1,915,750.00	100.00%
Hale Hauoli - Reroof & Renovation (Isemoto Contracting Co., Ltd.)	CMS 10-07	9/7/2010	\$1,798,597.00						\$370,068.04	\$278,616.52		\$648,684.56	36.07%
Makani Kai Hale I & II - Physical Improvements (Artistic Builders Corporation)	CMS 10-08	6/4/2010	\$1,629,267.00				\$97,806.05	\$914,441.75	\$430,200.96	\$185,779.14		\$1,628,227.90	99.94%
Makua Aili - Reroof and Structural Repairs (Hi-Tec Roofing, Inc.)	CMS 10-09	4/26/2010	\$2,090,130.00				\$590,989.39	\$684,994.43	\$559,087.69	\$140,750.81		\$1,975,822.32	94.53%
Kalakaua Homes - Reroofing (Tory's Roofing & Waterproofing, Inc.)	CMS 10-10	5/20/2010	\$780,553.00					\$700,813.82				\$700,813.82	89.78%
Kahekili Terrace - Physical Improvements (F&H Construction)	CMS 10-11	6/28/2010	\$5,259,289.00					\$2,388,927.77	\$514,302.01	\$735,238.11		\$3,638,467.89	69.18%
Kaianihua - Reroof & Elevator Lobby Improvements (ABC Design Center)	CMS 10-12	4/19/2010	\$196,865.00				\$20,330.00	\$167,412.30	\$9,122.55			\$196,864.85	100.00%
Administration	N/A	N/A	\$602,228.00		\$601,688.00							\$601,688.00	99.91%
Total Amount:			\$16,245,443.00	\$0.00	\$601,688.00	\$1,072,988.92	\$2,705,273.62	\$5,259,444.22	\$2,096,972.82	\$1,372,109.96	\$0.00	\$13,108,477.54	80.69%
Budget Balance:				\$16,245,443.00	\$15,643,755.00	\$14,570,766.08	\$11,865,492.46	\$6,606,048.24	\$4,509,075.42	\$3,136,965.46	\$3,136,965.46		
Percentage Expended:				0.00%	3.70%	6.60%	16.65%	32.37%	12.91%	8.45%			

NOTE: HPHA must expend at least 60% of all ARRA Funds no later than March 17, 2011. The expenditure rate of 80.69% is actual expenditures made based on eLOCCS input and check cut by FMO as of May 31, 2011.

Elevator Modernization Report: Hawaii Public Housing Authority Elevators reported as of 5/31/2011

Note: All dates and costs are subject to change

MODERNIZATION (REBUILDING) OF HPHA ELEVATORS													
Name	Housing Type	Elevator No.	Year Elevator Installed	Age of Elevators in Years	Number of Units	Number of Floors	Modernizations Planned		Construction Cost	Funding Source	Design Start	Construction Start	Estimated Construction Completion
							Major	Minor					
Kuhio Park Terrace A Phase 2	Family	3	1981	27	271	16	3		\$3,970,469	FY08 Elevator CIP	Sep-07	Jul-09	Completed 5/2010
Phase 3		1	1964	44							Sep-07	Nov-09	Completed 11/2010
Phase 1		2	1964	44							Sep-07	May-10	Completed 4/2011
Kuhio Park Terrace B Phase 1	Family	4	1964	44	298	16	3				Sep-07	Jul-09	completed, 5/10
Phase 2		5	1964	44							Sep-07	Nov-09	completed, 12/14/10
Phase 3		6	1981	27							Sep-07	May-10	Dec-11
Kalakaua Home Phase 1	Elderly	1	1983	25	221	10	2		\$460,733	FY09 Elevator CIP	Aug-08	May-11	Sep-11
		2	1983	25							Aug-08	Sep-11	Dec-11
Makua Alii Phase 1	Elderly	1	1967	41	211	20	2		\$460,733	FY09 Elevator CIP	Aug-08	May-11	Aug-11
		2	1967	41							Aug-08	Aug-11	Oct-11
Kalanihulia Phase 2	Elderly	1	1968	40	151	15	2		\$471,204	FY09 Elevator CIP	Aug-08	Oct-11	Feb-12
		2	1968	40							Aug-08	Feb-12	May-12
Paoakalani Phase 2	Elderly	1	1970	38	151	17	2		\$445,026	FY09 Elevator CIP	Aug-08	Dec-11	Mar-12
		2	1970	38							Aug-08	Mar-12	May-12
Pumehana Phase 3	Elderly	1	1972	36	139	21	2		\$465,968	FY09 Elevator CIP	Aug-08	May-12	Aug-12
		2	1972	36							Aug-08	Aug-12	Oct-12
Punchbowl Homes Phase 3	Elderly	1	1961	47	144	7	2		\$371,728	FY09 Elevator CIP	Aug-08	May-12	Aug-12
		2	1961	47							Aug-08	Aug-12	Oct-12

Elevator Modernization Report: Hawaii Public Housing Authority Elevators reported as of 5/31/2011

Note: All dates and costs are subject to change

MODERNIZATION (REBUILDING) OF HPHA ELEVATORS													
Name	Housing Type	Elevator No.	Year Elevator Installed	Age of Elevators in Years	Number of Units	Number of Floors	Modernizations Planned		Construction Cost	Funding Source	Design Start	Construction Start	Estimated Construction Completion
							Major	Minor					
Makamae Phase 4	Elderly	1	1971	37	124	4	2		\$261,780	FY09 Elevator CIP	Aug-08	Oct-12	Dec-12
		2	1971	37							Aug-08	Dec-12	Mar-13
Wilikina Apts Phase 4	Family	1	1977	31	119	9	2		\$424,712	FY09 Elevator CIP	Aug-08	Oct-12	Jan-13
		2	1977	31							Aug-08	Jan-13	Apr-13
Salt Lake Apts	Family	1	1970	38	28	8	1		\$1,000,000	B-08-401-K			
Hale Poi	Elderly	1	1989	19	206	7		2	\$320,000	Full Modernization not required, only installation of safety related items. Funding dependent on bids for major modernization listed above.			
		2	1989	19									
Halia Hale	Elderly	1	1995	13	41	5		\$255,000					
Laiola	Elderly	1	1991	17	108	6		2	\$220,000				
		2	1991	17									
Kulaokahua	Homeless	1	1992	16	30	3		1	\$60,000				
Ho'olulu Elderly	Elderly	1	1994	14	112	7		2	\$245,000				
		2	1994	14									
Kamalu Elderly	Elderly	1	1993	15	109	7		2	\$240,000				
		2	1993	15									
Banyan St Manor	Family	1	1977	31	55	3							
	TOTAL	34			2,518	181	23	10	\$9,672,353				
Average age of elevators				31									

**Contract & Procurement Office
Monthly Status Report for May 2011**

Solicitations Issued in May 2011:

Solicitation No.	Title	Due Date
Request For Qualifications	Notice to Providers of Professional Services for State Capital Improvement Program and Federal Capital Fund Projects	June 15, 2011
IFB-CMS-2011-20	Invitation for Bids for Sewer System Improvements at Hale Hauoli and Lokahi (AMP 37) on the Island of Hawaii HPHA Job No. 11-002-000-S	June 27, 2011

Contracts Executed in May 2011:

Contract No.	Contractor & Project	Supp. Amount	Total Amount
CMS 08-06-SC04	KONE, Inc. Increase in Compensation and Payment Schedule for Elevator Maintenance at Various Locations on the Island of Oahu Completion Date: June 30, 2011	\$15,396.30	\$662,673.21
CMS 08-20-SC02	Elevator Consulting Services Additional Design and Consultation Services and Increase in Compensation and Payment for the Modernization of 17 Elevators at Various Locations on the Island of Oahu Completion Date: January 3, 2015	\$52,650.00	\$426,592.55
CMS 08-28-SC02	Allana, Buick & Bers, Inc. Additional Design and Consultation Services, Extension of Time of 367 days, and Increase in Compensation and Payment for Physical Improvements at Kahekili Terrace (AMP 39) on the Island of Maui Completion Date: May 30, 2012	\$71,874.54	\$507,737.37
CMS 09-02-SC02	KONE, Inc. Extension of Time of 273 days for the Modernization and Maintenance of Six Elevators at Kuhio Park Terrace (AMP 40) on the Island of Oahu Completion Date: January 31, 2012	n/a	\$3,995,512.45
CMS 10-07-CO03	Isemoto Contracting Company, Ltd. Additional Labor and Materials, Extension of Time of 83 days, and Increase in Compensation and Payment for Reroofing and Renovation at Hale Hauoli (AMP 46) on the Island of Hawaii Completion Date: July 11, 2011	\$114,570.00	\$1,986,202.00

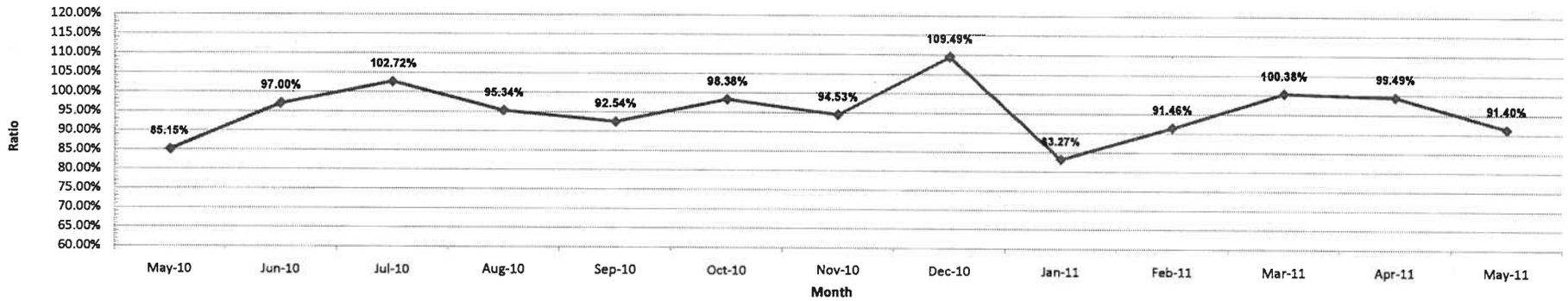
Contract No.	Contractor & Project	Supp. Amount	Total Amount
PMB 11-04	Hawaii Affordable Properties, Inc. Furnish Property Management, Maintenance and Resident Services for Noelani I, Noelani II, Hale Hauoli, Ke Kumu Ekolu and Ke Kumu Elua Under Asset Management Project 46 on the Island of Hawaii May 31, 2011 to May 31,2012		\$431,921.00
PMB 11-05	Hawaii Affordable Properties, Inc. Furnish Property Management and Services for Affordable Rental Housing Complex Known as Ke Kumu Ekahi on the Island of Hawaii May 31, 2011 to May 31,2012		\$376,555.00

STATE PUBLIC HOUSING
Rent Collection from May 2010 to May 2011

	May-10			Jun-10			Jul-10			Aug-10			Sep-10			Oct-10		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$ 8,678.00	\$ 8,289.30	95.52%	\$ 8,745.00	\$ 7,718.66	88.26%	\$ 8,850.00	\$ 7,272.17	82.17%	\$ 8,817.00	\$ 7,512.28	85.20%	\$ 9,045.00	\$ 9,438.00	104.34%	\$ 9,941.00	\$ 9,159.12	92.13%
Kauai	\$ 5,599.00	\$ 3,679.00	65.71%	\$ 5,594.00	\$ 4,927.00	88.08%	\$ 5,795.00	\$ 5,779.00	99.72%	\$ 5,795.00	\$ 4,190.00	72.30%	\$ 5,828.00	\$ 5,327.00	91.40%	\$ 5,580.00	\$ 5,643.00	101.13%
Mau	\$ 5,993.00	\$ 4,659.00	77.74%	\$ 5,488.00	\$ 5,405.00	98.49%	\$ 5,453.00	\$ 5,337.00	97.87%	\$ 5,365.00	\$ 4,990.84	93.03%	\$ 5,268.00	\$ 4,506.00	85.54%	\$ 5,286.00	\$ 4,309.00	81.52%
Oahu	\$ 224,782.00	\$ 192,029.45	85.43%	\$ 224,870.00	\$ 219,304.48	97.53%	\$ 226,317.00	\$ 234,719.62	103.71%	\$ 226,190.00	\$ 218,001.22	96.38%	\$ 227,459.00	\$ 209,854.08	92.26%	\$ 227,374.00	\$ 225,048.63	98.98%
Total	\$ 245,052.00	\$ 208,656.75	85.15%	\$ 244,697.00	\$ 237,355.14	97.00%	\$ 246,415.00	\$ 253,107.79	102.72%	\$ 246,167.00	\$ 234,694.34	95.34%	\$ 247,600.00	\$ 229,125.08	92.54%	\$ 248,181.00	\$ 244,159.75	98.38%

	Nov-10			Dec-10			Jan-11			Feb-11			Mar-11			Apr-11			May-11		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$ 9,528.76	\$ 8,883.15	93.22%	\$ 9,146.00	\$ 7,517.70	82.20%	\$ 9,443.00	\$ 8,858.38	93.81%	\$ 9,585.00	\$ 11,907.70	124.23%	\$ 11,813.00	\$ 10,679.30	90.40%	\$ 13,492.00	\$ 13,372.00	99.11%	\$ 13,190.00	\$ 11,357.00	86.10%
Kauai	\$ 5,498.00	\$ 4,278.00	77.81%	\$ 5,598.00	\$ 4,876.00	87.10%	\$ 5,598.00	\$ 4,564.80	81.54%	\$ 5,327.00	\$ 6,287.00	118.02%	\$ 5,368.00	\$ 4,385.00	81.69%	\$ 5,368.00	\$ 4,504.00	83.90%	\$ 5,243.00	\$ 4,449.00	84.86%
Mau	\$ 6,089.00	\$ 5,866.00	96.34%	\$ 5,999.00	\$ 4,846.00	77.45%	\$ 5,843.00	\$ 5,313.00	91.15%	\$ 5,474.00	\$ 5,139.00	93.88%	\$ 5,640.00	\$ 5,570.00	98.76%	\$ 5,562.00	\$ 3,882.00	69.80%	\$ 5,339.00	\$ 5,014.00	93.91%
Oahu	\$ 227,636.00	\$ 216,122.73	94.94%	\$ 228,626.00	\$ 256,002.35	111.97%	\$ 228,770.00	\$ 188,978.95	82.61%	\$ 230,412.00	\$ 206,035.83	89.42%	\$ 229,468.00	\$ 232,605.36	101.37%	\$ 228,396.00	\$ 229,762.40	100.60%	\$ 227,111.00	\$ 208,478.54	91.80%
Total	\$ 248,751.76	\$ 236,149.88	94.53%	\$ 249,369.00	\$ 273,042.05	109.49%	\$ 249,454.00	\$ 207,715.13	83.27%	\$ 250,796.00	\$ 229,369.53	91.46%	\$ 252,289.00	\$ 253,239.66	100.38%	\$ 252,816.00	\$ 251,520.40	99.49%	\$ 250,883.00	\$ 229,298.54	91.40%

Rent Collection Rate



**State LIPH
HPHA Island Overview Report
May 2011**

Island	Occupancy*							LIPH and Elderly Waiting List**				
	Total Available Units	Total Occupied Units	Total Vacant Units (excludes rent ready)	Occupancy Ratio	Move-Ins	Transfers	Units Rent Ready	HUD Income Limit	# of HoH	% of WL	Avg Family Size	Avg Bedroom Size
Hawaii	56	44	7	78.57%	2	0	5	Average Income	20	0.25%	8.24	4.24
Kauai	26	24	2	92.31%	0	0	0	Low Income (80%)	14	0.17%	2.36	1.43
Maui	32	26	6	81.25%	0	0	0	Very Low Inc. (50%)	194	2.42%	3.14	2.01
Oahu	749	734	9	98.00%	8	1	6	Extremely Low Inc. (30%)	7,774	97.15%	2.44	1.67
Total	863	828	24	95.94%	10	1	11		8,002	100.00%	2.47	1.68

Island	Non Vacated Delinquencies***				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	8	\$ 2,742.00	9	\$ 15,096.17	\$ 13,190.00	\$ 11,357.00	86.10%
Kauai	3	\$ 1,928.00	2	\$ 10,705.46	\$ 5,243.00	\$ 4,449.00	84.86%
Maui	8	\$ 1,810.00	18	\$ 15,155.53	\$ 5,339.00	\$ 5,014.00	93.91%
Oahu	33	\$ 18,783.92	55	\$ 189,595.94	\$ 227,111.00	\$ 208,478.54	91.80%
Total	52	\$ 25,263.92	84	\$ 230,553.10	\$ 250,883.00	\$ 229,298.54	91.40%

* Occupancy also counts Scheduled for Modernization Units.

** Please notice WL Income Limits assumes 2010 HUD Family Income Limit for Hawaii.

*** Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).

**State LIPH
HPHA Project Overview Report
May 2011**

Project	Occupancy *						
	Total Available Units	Total Occupied Units	Total Vacant Units (excludes rent ready)	Occupancy Ratio	Move-Ins	Transfers	Units Rent Ready
2201-Hauiki	46	45	1	97.83%	0	0	0
2202-Puahala Homes	128	119	5	92.97%	3	0	4
2204-Kawailehua	26	24	2	92.31%	0	0	0
2205-Kahale Mua	32	26	6	81.25%	0	0	0
2206-Lokahi	30	26	2	86.67%	1	0	2
2207-Ke Kumu Elua	26	18	5	69.23%	1	0	3
2401-Hale Po'ai	206	204	2	99.03%	3	1	0
2402-La'iola	108	107	1	99.07%	1	0	0
2403-Kamalu-Ho'olulu	220	219	0	99.55%	0	0	1
2404-Halia Hale	41	40	0	97.56%	1	0	1
Total	863	828	24	95.94%	10	1	11

Project	Non Vacated Delinquencies**				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
2201-Hauiki	5	\$ 3,766.14	13	\$ 75,906.51	\$ 17,905.00	\$ 15,875.60	88.67%
2202-Puahala Homes	18	\$ 12,626.00	29	\$ 109,414.51	\$ 45,080.00	\$ 38,860.94	86.20%
2204-Kawailehua	3	\$ 1,928.00	2	\$ 10,705.46	\$ 5,243.00	\$ 4,449.00	84.86%
2205-Kahale Mua	8	\$ 1,810.00	18	\$ 15,155.53	\$ 5,339.00	\$ 5,014.00	93.91%
2206-Lokahi	3	\$ 919.00	3	\$ 12,671.50	\$ 8,762.00	\$ 7,500.00	85.60%
2207-Ke Kumu Elua	5	\$ 1,823.00	6	\$ 2,424.67	\$ 4,428.00	\$ 3,857.00	87.10%
2401-Hale Po'ai	0	\$ -	5	\$ 2,284.00	\$ 57,370.00	\$ 52,329.00	91.21%
2402-La'iola	4	\$ 1,183.78	7	\$ 1,986.52	\$ 34,006.00	\$ 30,957.00	91.03%
2403-Kamalu-Ho'olulu	5	\$ 1,055.00	1	\$ 4.40	\$ 61,907.00	\$ 59,824.00	96.64%
2404-Halia Hale	1	\$ 153.00	0	\$ -	\$ 10,843.00	\$ 10,632.00	98.05%
Total	52	\$ 25,263.92	84	\$ 230,553.10	\$ 250,883.00	\$ 229,298.54	91.40%

* Occupancy also counts Scheduled for Modernization Units.

** Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).

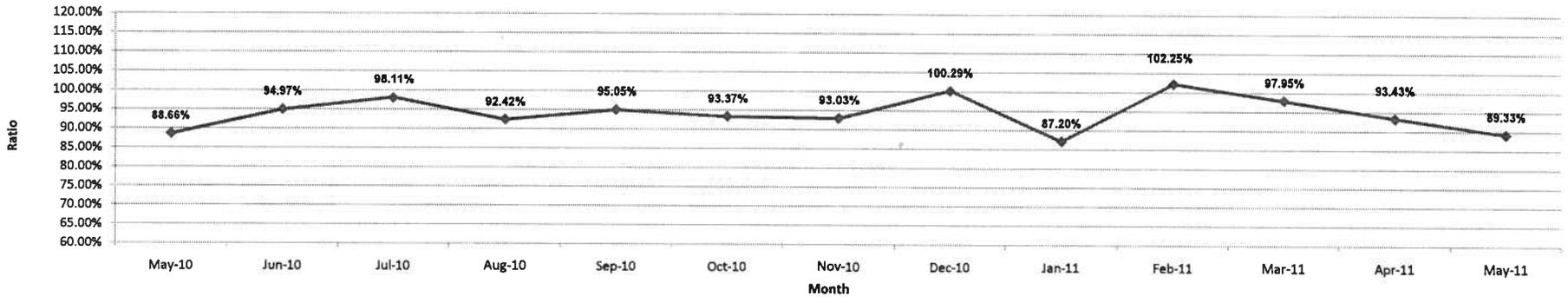
FEDERAL PUBLIC HOUSING

Rent Collection from May 2010 to May 2011

	May-10			Jun-10			Jul-10			Aug-10			Sep-10			Oct-10		
	Charges	Collected	Ratio															
Hawaii	\$ 113,063.10	\$ 106,671.27	94.35%	\$ 112,822.92	\$ 108,468.00	96.14%	\$ 110,298.00	\$ 117,841.39	106.84%	\$ 123,375.00	\$ 112,668.72	91.32%	\$ 121,855.00	\$ 118,088.25	96.91%	\$ 120,443.00	\$ 111,022.68	92.18%
Kauai	\$ 77,802.00	\$ 64,010.35	82.27%	\$ 78,374.00	\$ 70,438.19	89.87%	\$ 80,235.00	\$ 72,583.50	90.46%	\$ 86,709.00	\$ 77,298.86	89.15%	\$ 87,909.00	\$ 83,078.18	94.50%	\$ 87,799.00	\$ 75,384.51	85.86%
Maui	\$ 42,283.00	\$ 35,857.47	84.80%	\$ 41,116.00	\$ 38,664.05	94.04%	\$ 42,270.00	\$ 40,957.84	96.90%	\$ 42,014.00	\$ 41,489.94	98.75%	\$ 41,934.00	\$ 41,471.17	98.90%	\$ 39,537.00	\$ 36,257.17	91.70%
Oahu	\$ 1,119,480.19	\$ 992,672.38	88.67%	\$ 1,121,497.78	\$ 1,068,095.60	95.24%	\$ 1,106,181.86	\$ 1,082,262.20	97.84%	\$ 1,129,754.08	\$ 1,045,640.94	92.55%	\$ 1,140,552.59	\$ 1,080,710.77	94.75%	\$ 1,129,657.95	\$ 1,063,431.20	94.14%
Total	\$ 1,352,628.29	\$ 1,198,211.47	88.66%	\$ 1,353,810.70	\$ 1,285,665.84	94.97%	\$ 1,338,984.86	\$ 1,313,644.93	98.11%	\$ 1,381,852.08	\$ 1,277,098.46	92.42%	\$ 1,392,250.59	\$ 1,323,348.37	95.06%	\$ 1,377,438.95	\$ 1,286,096.56	93.37%

	Nov-10			Dec-10			Jan-11			Feb-11			Mar-11			Apr-11			May-11		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$ 118,608.00	\$ 118,589.01	99.98%	\$ 119,818.00	\$ 121,417.37	101.33%	\$ 120,161.00	\$ 106,426.15	88.57%	\$ 118,550.70	\$ 137,139.87	115.68%	\$ 123,938.00	\$ 116,949.67	94.36%	\$ 122,543.00	\$ 121,343.89	99.02%	\$ 117,326.00	\$ 111,523.98	95.05%
Kauai	\$ 86,778.00	\$ 78,276.56	90.20%	\$ 86,291.00	\$ 80,138.98	92.87%	\$ 83,914.00	\$ 68,105.59	81.16%	\$ 83,547.00	\$ 82,100.90	98.27%	\$ 83,159.00	\$ 76,059.50	91.46%	\$ 79,632.00	\$ 68,713.39	86.29%	\$ 80,434.00	\$ 69,028.50	85.82%
Maui	\$ 40,455.00	\$ 39,564.88	97.80%	\$ 40,468.00	\$ 39,643.97	97.96%	\$ 39,164.00	\$ 36,337.62	92.78%	\$ 40,207.00	\$ 38,945.99	96.86%	\$ 38,867.00	\$ 43,430.34	111.74%	\$ 41,884.00	\$ 42,337.92	101.08%	\$ 41,843.00	\$ 41,402.45	98.95%
Oahu	\$ 1,136,947.46	\$ 1,049,993.07	92.35%	\$ 1,130,424.71	\$ 1,139,769.79	100.83%	\$ 1,128,883.46	\$ 985,566.46	87.30%	\$ 1,122,198.47	\$ 1,137,018.64	101.32%	\$ 1,119,526.49	\$ 1,101,023.44	98.35%	\$ 1,107,278.94	\$ 1,030,103.12	93.03%	\$ 1,090,577.98	\$ 966,307.46	88.61%
Total	\$ 1,382,788.46	\$ 1,286,423.52	93.03%	\$ 1,377,001.71	\$ 1,380,970.11	100.29%	\$ 1,372,122.46	\$ 1,198,436.82	87.20%	\$ 1,384,503.17	\$ 1,395,205.40	102.25%	\$ 1,365,460.48	\$ 1,337,462.95	97.95%	\$ 1,351,337.94	\$ 1,262,498.32	93.43%	\$ 1,330,180.98	\$ 1,188,262.39	89.33%

Rent Collection Rate



**Federal LIPH
HPHA Island Overview Report
May 2011**

Island	Occupancy *							LIPH and Elderly Waiting List**				
	Total Available Units	Total Occupied Units	Total Vacant Units (excludes rent ready)	Occupancy Ratio	Move-Ins	Transfers	Units Rent Ready	HUD Income Limit	# of HoH	% of WL	Avg Family Size	Avg Bedroom Size
Hawaii	621	529	73	85.19%	8	3	19	Average Income	26	0.25%	8.59	4.08
Kauai	319	285	34	89.34%	1	0	0	Low Income (80%)	30	0.28%	2.98	1.83
Maui	196	136	59	69.39%	4	4	1	Very Low Inc. (50%)	334	3.15%	3.11	2.04
Oahu	4,123	3,823	261	92.72%	20	12	39	Extremely Low Inc. (30%)	10,203	96.32%	2.56	1.77
Total	5,259	4,773	427	90.76%	33	19	59		10,593	100.00%	2.59	1.78

Island	Non Vacated Delinquencies***				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	52	\$ 13,748.00	12	\$ 9,434.00	\$ 117,326.00	\$ 111,523.98	95.05%
Kauai	51	\$ 28,729.00	33	\$ 108,338.59	\$ 80,434.00	\$ 69,028.50	85.82%
Maui	14	\$ 2,336.50	3	\$ 372.99	\$ 41,843.00	\$ 41,402.45	98.95%
Oahu	472	\$ 222,077.58	154	\$ 225,879.01	\$ 1,090,577.98	\$ 966,307.46	88.61%
Total	589	\$ 266,891.08	202	\$ 344,024.59	\$ 1,330,180.98	\$ 1,188,262.39	89.33%

* Occupancy also counts Scheduled for Modernization Units.

** Please notice WL Income Limits assumes 2010 HUD Family Income Limit for Hawaii.

*** Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).

**Federal LIPH
HPHA Project Overview Report
May 2011**

AMP	Occupancy*						
	Total Available Units	Total Occupied Units	Total Vacant Units (excludes rent ready)	Occupancy Ratio	Move-Ins	Transfers	Units Rent Ready
30P-Aiea	362	342	20	94.48%	0	0	0
31P-KVH	373	316	44	84.72%	6	6	13
32P-MWH	363	350	10	96.42%	0	0	3
33P-Kam/Kaamanu	371	365	4	98.38%	0	0	2
34P-Kalakaua	581	554	24	95.35%	1	1	3
35P-Kalanihua	587	567	18	96.59%	7	4	2
37P-Hilo	320	249	52	77.81%	3	2	19
38P-Kauai	319	285	34	89.34%	1	0	0
39P-Maui	196	136	59	69.39%	4	4	1
40P-KPT	739	666	66	90.12%	1	1	7
43P-Kona	200	195	5	97.50%	5	1	0
44P-Leeward Oahu	258	230	24	89.15%	4	0	4
45P-Windward Oahu	225	217	6	96.44%	1	0	2
46P-Kamuela	101	85	16	84.16%	0	0	0
49P-Central Oahu	149	113	36	75.84%	0	0	0
50P-Palolo	115	103	9	89.57%	0	0	3
Total	5,259	4,773	427	90.76%	33	19	59

AMP	Non Vacated Delinquencies**				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
30P-Aiea	56	29,657.43	12	14,145.89	\$ 131,199.00	115,093.88	87.72%
31P-KVH	36	20,419.95	11	17,513.58	\$ 86,226.00	76,855.56	89.13%
32P-MWH	45	17,094.96	13	23,132.75	\$ 108,759.33	99,246.18	91.25%
33P-Kam/Kaamanu	58	23,728.75	23	40,059.25	\$ 91,137.41	83,320.66	91.42%
34P-Kalakaua	10	4,114.00	5	9,851.40	\$ 131,449.01	117,784.88	89.60%
35P-Kalanihua	16	5,358.70	5	7,537.82	\$ 139,916.23	133,016.64	95.07%
37P-Hilo	24	5,530.00	6	7,254.00	\$ 62,162.00	61,060.50	98.23%
38P-Kauai	51	28,729.00	33	108,338.59	\$ 80,434.00	69,028.50	85.82%
39P-Maui	14	2,336.50	3	372.99	\$ 41,843.00	41,402.45	98.95%
40P-KPT	153	72,979.60	29	18,599.90	\$ 233,503.00	183,766.65	78.70%
43P-Kona	13	4,007.00	3	952.00	\$ 37,485.00	35,237.00	94.00%
44P-Leeward Oahu	45	22,115.82	38	66,183.97	\$ 49,570.00	48,226.25	97.29%
45P-Windward Oahu	26	13,586.02	7	3,282.86	\$ 63,387.00	59,706.92	94.19%
46P-Kamuela	15	4,211.00	3	1,228.00	\$ 17,679.00	15,226.48	86.13%
49P-Central Oahu	16	7,997.18	4	5,258.79	\$ 34,557.00	29,902.00	86.53%
50P-Palolo	11	5,025.17	7	20,312.80	\$ 20,874.00	19,387.84	92.88%
Total	589	\$ 266,891.08	202	\$ 344,024.59	\$ 1,330,180.98	\$ 1,188,262.39	89.33%

* Occupancy also counts Scheduled for Modernization Units.

** Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).

June 16, 2011

FOR INFORMATION

SUBJECT: Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795)

I. FACTS

- A. The Hawaii Public Housing Authority (HPHA) was served with two related lawsuits (Federal and State) as referenced above.
- B. The Department of the Attorney General has appointed lead attorneys to represent the HPHA.
- C. In May 2011, Deputy Attorney General John Wong instructed the Board of Directors, HPHA executive staff and management staff of their responsibilities related to communication with the plaintiffs and document retention requirements.
- D. The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795)*.

Prepared by: Barbara Arashiro, Executive Assistant 

FOR DISCUSSION

SUBJECT: Report on the Legislative Audit by the Office of the Auditor

I. FACTS

- A. During the 2009 Legislative Session, Senate Concurrent Resolution No. 31, (SD2, HD1) and House Concurrent Resolution No. 94 (HD1, SD 1) requested a management audit of the Hawaii Public Housing Authority (HPHA).
- B. The audit was conducted by the Office of the Auditor for the period July 1, 2006 through June 30, 2010.
- C. A copy of the audit findings and HPHA's response is attached.
- D. The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2) and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities.

Prepared by: Barbara E. Arashiro, Executive Assistant 



Office of the Auditor
465 S. King Street
Rm. 500
Honolulu, HI 96813
Ph. (808) 587-0800

Marion M. Higa
State Auditor
State of Hawai'i

HPHA by the Numbers

**Total
units:** 6,195

**Unrepaired
units:** 233

**Families
on wait
list:** 9,000+

**Wait
time:** 2-5 yrs

Management Audit of the Hawai'i Public Housing Authority

Report No. 11-01, June 2011

Tenant welfare can be improved if performance monitoring and asset management are prioritized

Oversight of housing projects erratic

The authority administers 5,331 public housing units in 67 federally-funded buildings and 864 units in 14 state-funded buildings. During FY2007-2010, the authority lacked staff with the resources and time to sufficiently monitor project managers' performance. Oversight for rent collection, federal reporting, and issues affecting tenants' daily lives—such as building conditions, property upkeep, and timely addressing of repair and maintenance problems—was erratic.

Both state- and privately-run housing projects reported backlogs in repair and maintenance. Turnaround on vacant units was slow, adversely impacting families on the waiting list as well as rent collections. As of February 15, 2011, the authority had a total of 233 vacant units that either had pending maintenance work or were available for rent; overall, these units had been vacant an average of six months. With approximately 9,000 families on the waiting list and an average wait time of two to five years, delays in turning around vacant units negatively impacts families waiting for public housing, rent revenues, and overall funding available to the authority.

Turning the ship around

The authority is severely behind schedule in implementing the U.S. Department of Housing and Urban Development-mandated "asset management" system. Despite the directive's issuance in 2005, the authority has yet to reach a first-year implementation level. Asset management is a method of managing public housing projects intended to improve operational efficiency and effectiveness by shifting accountability from the central housing authority to individual housing project managers. The method encourages managers to operate their properties as businesses, monitoring rent revenues and managing related expenditures to accrue capital for long term asset preservation and growth.

The deadline for meeting two of the five components of this model was in 2007; full implementation of all components is required by June 30, 2011. While the authority's executive director is aware the authority cannot realistically meet this deadline, she has begun to determine what is reasonable to implement, assign responsible parties, and develop a plan of action. We cannot comment on the results of her planning effort, but note the contrast with the efforts under the previous executive director, whose tenure ended in March 2010. The new action represents a concerted effort to rectify the substantial lag in implementing the asset management model.

The authority has many challenges ahead. It must improve its monitoring of project managers to ensure tenants' needs are addressed and the State's assets are protected for future users. It must also implement the federally-mandated asset management system model of operation. Any further delays in implementation may put federal funds at risk; for an agency already suffering from backlogs of deferred maintenance and staffing constraints, such a loss would be devastating.

Agency response

The authority did not take issue with our findings. According to the executive director, our findings are compatible with her "to do" list and her action plans will address some of our recommendations. These include a comprehensive operations manual to ensure consistent enforcement of policies. The authority is converting to asset management by improving its budgeting and accounting processes and utilizing the technical assistance plan provided by Econometrica, Inc.

Management Audit of the Hawai'i Public Housing Authority

A Report to the
Governor
and the
Legislature of
the State of
Hawai'i

Submitted by

THE AUDITOR
STATE OF HAWAII

Report No. 11-01
June 2011

Foreword

This is a report on our management audit of the Hawai'i Public Housing Authority in response to Senate Concurrent Resolution No. 31, Senate Draft 2, House Draft 1, and House Concurrent Resolution No. 94, House Draft 1, Senate Draft 1, of the 2009 legislative session. We conducted the audit pursuant to Section 23-4, Hawai'i Revised Statutes, which requires the Auditor to conduct postaudits of the transactions, accounts, programs, and performance of all departments, offices, and agencies of the State and its political subdivisions. Additionally, Chapter 103D, Hawai'i Revised Statutes requires the State Auditor to periodically audit procurement practices within the government.

We wish to express our appreciation for the cooperation and assistance extended to us by the board of directors, executive director, and staff of the Hawai'i Public Housing Authority, and others whom we contacted during the course of the audit.

Marion M. Higa
State Auditor

Table of Contents

Chapter 1 Introduction

Background.....	1
Objectives of the Audit	15
Scope and Methodology	15

Chapter 2 Tenant Welfare Can Improve By Prioritizing Performance Monitoring and Asset Management

Summary of Findings	18
The Authority's Ineffective Oversight of State- and Privately-Managed Housing Projects Impacts Tenant Welfare.....	18
The Authority Has Not Yet Implemented the Federally-Mandated Asset Management System	37
Conclusion	44
Recommendations.....	45

Response of the Affected Agency	47
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List of Exhibits

Exhibit 1.1	Hawai'i Public Housing Authority—Program Appropriations, FY2008–FY2011	3
Exhibit 1.2	Federal and State Housing Projects, by Island	4
Exhibit 1.3	Public Housing Projects in Hawai'i.....	5
Exhibit 1.4	Breakdown of Projects and Units, by Manager, as of June 30, 2010.....	6
Exhibit 1.5	Hawai'i Public Housing Authority Organization Chart	8
Exhibit 2.1	Physical Assessment Scores, by AMP	24
Exhibit 2.2	Closed Work Order Statistics, Selected AMPs, FY2010	26
Exhibit 2.3	Open Work Orders, Selected AMPs, January 1, 2004 Through February 1, 2011	26
Exhibit 2.4	Current Vacancies, Selected AMPs Through February 15, 2011	28

Exhibit 2.5	AMP 49, Wahiawā, Unit Vacated July 2010.....	29
Exhibit 2.6	AMP 30, Pu‘uwai Momi, Unit Vacated July 2010	30
Exhibit 2.7	AMP 44, Wai‘anae, Units Damaged by Fire in 2005 and 2008.....	31
Exhibit 2.8	Ongoing Construction Projects at AMP 40, Kūhiō Park Terrace.....	32
Exhibit 2.9	Inventory at AMP 38, Kaua‘i.....	34
Exhibit 2.10	Inventory at AMP 45, Kāne‘ohe.....	35

Chapter 1

Introduction

Background

Concerned about the management of public housing facilities in Hawai‘i, in 2009 the Legislature made two separate requests for an audit of the Hawai‘i Public Housing Authority (HPHA). House Concurrent Resolution No. 94, House Draft 1, Senate Draft 1 of the 2009 Regular Session asked the Auditor to conduct a review of the management of the Pu‘uwai Momi and West O‘ahu housing facilities to compare the performance of state- versus privately-operated public housing projects. The resolution also asked that we determine the relative contributions of funding levels, mismanagement, and tenant and visitor actions toward these properties’ failure to meet performance standards.

Simultaneously, the 2009 Legislature passed Senate Concurrent Resolution No. 31, Senate Draft 2, House Draft 1 requesting the Auditor to conduct a management and financial audit of the authority’s maintenance contracts. The resolution asked the Auditor to review the management of those contracts and investigate reports of disrepair, noncompliance with the federal Americans With Disabilities Act, and other concerns of residents. It asked that we take into account the newly implemented U.S. Department of Housing and Urban Development’s Deficiency Report Checklist. And it also asked that we focus on contracts and facilities with high dollar value, volume of complaints, contractual terms not strong enough to protect the State’s interests, serious lack of internal controls, or other screening approach to scope the audit into a manageable size.

History, mission, and funding of HPHA

The Hawai‘i Public Housing Authority’s mission is to promote adequate and affordable housing over the long term for low-income individuals. Although its general purpose has changed little over the years, its name and purview have been altered a number of times.

In 1935, the Territorial Legislature created the Hawai‘i Housing Authority (HHA) to provide safe and sanitary housing for low-income residents of Hawai‘i. In 1976 the Hawai‘i Community Development Authority (HCDA) was established to guide the revitalization of Honolulu’s Kaka‘ako district. Hawai‘i Community Development Authority’s responsibilities included planning the installation of infrastructure as well as planning and regulating development in the district. A specific mission of HCDA is to increase the amount of low income housing in Kaka‘ako. Hawai‘i Community Development Authority is still extant.

In 1987 the Housing Finance and Development Corporation (HFDC) was created to assume housing development and financing functions from HHA in order to streamline and expedite the supply of affordable rental and for-sale housing for low- to moderate-income people. In 1997 HHA and HFDC were consolidated into a new entity, the Housing and Community Development Corporation of Hawai'i (HCDCH), effective July 1, 1998. The Housing and Community Development Corporation of Hawai'i's mission was to serve as a catalyst to provide Hawai'i's residents with affordable housing and shelter opportunities in a balanced and supportive environment.

In 2005 the subject of this audit, the Hawai'i Public Housing Authority (HPHA), was born when HCDCH's functions were split into two new agencies effective July 1, 2006. The other agency is the Hawai'i Housing Finance and Development Corporation (HHFDC), which is tasked with developing and financing low- and moderate-income housing projects and administering homeownership programs. Most recently, in 2010, HPHA's mandate was narrowed to remove responsibility for homeless programs.

Mission

Public housing authorities across the country are responsible for managing and operating public housing programs. This includes assuring compliance with leases (including rent collections); setting other charges, such as security deposits and excess utility consumption fees; reexamining tenants' income at least once a year; and maintaining housing developments in decent, safe, and sanitary conditions. Like other public housing authorities, HPHA's mission is to promote adequate and affordable housing, economic opportunity, and a suitable living environment free from discrimination. HPHA is charged with managing federal and state public housing programs, including the federal Housing Assistance Payment Program pursuant to the Housing and Community Development Act of 1974 (known as the "Section 8" program) and elderly housing.

Funding

Hawai‘i’s public housing projects receive the majority of their funding through the U.S. Department of Housing and Urban Development’s (HUD) federal grants, as shown in Exhibit 1.1. Capital improvement project (CIP) funds are also provided for various capital projects at public housing properties throughout the state.

Exhibit 1.1

Hawai‘i Public Housing Authority—Program Appropriations, FY2008–FY2011

HMS 220: Rental Housing Assistance	FY2008	FY2009	FY2010	FY2011
General Funds	\$10,194,240	\$5,039,240	\$4,414,556	\$4,414,556
Federal Funds	\$43,869,465	\$43,869,475	\$33,718,184	\$32,945,694
Revolving Funds	\$3,992,323	\$3,992,323	\$3,914,984	\$3,865,232
Total	\$58,056,028	\$52,901,038	\$42,047,724	\$41,225,482
<i>Federal funds as a percent of total operating funds</i>	76%	83%	80%	80%
Lump sum for statewide public housing capital improvement projects (CIP)	\$25,000,000	\$16,410,000	\$7,913,000	\$4,500,000
Total Appropriations	\$83,056,028	\$69,311,038	\$49,960,724	\$45,725,482

Source: Office of the Auditor analysis of Session Laws of Hawai‘i

Public housing projects—what HPHA oversees

The Hawai‘i Public Housing Authority owns, manages, and maintains both federal and state public housing projects as well as the state supplemental rent program. Tenants’ acceptance into public housing facilities and their rental rates are based on their annual gross income; whether they qualify as elderly, disabled, or a family; and their citizenship status (i.e., whether they are U.S. citizens or qualified immigrants).

“Low income” means eligible applicants earn 80 percent or less of the median income for their relevant area; “very low income” means they earn 50 percent or less. Rental rates for state public housing projects are set to produce revenues sufficient to pay all management, operational, and maintenance expenses.

Unlike in federal housing projects, tenants of state public housing projects must be Hawai'i residents. In addition, while state moneys can be used for state or federal public housing projects, federal funds can be used only for federal projects. Exhibit 1.2 shows the number of federal and state housing projects throughout the state.

Exhibit 1.2
Federal and State Housing Projects, by Island

	Federal		State		Totals	
	No. Projects	No. Units	No. Projects	No. Units	No. Projects	No. Units
O'ahu	33	4,145	10	750	43	4,895
Kaua'i	10	321	1	26	11	347
Maui and Moloka'i	6	196	1	32	7	228
West and North Hawai'i	9	305	1	26	10	331
East Hawai'i	9	364	1	30	10	394
Totals	67	5,331	14	864	81	6,195

Source: Office of the Auditor analysis of Hawai'i Public Housing Authority data

Hawai'i's public housing projects are organized into 17 groups. Sixteen of these are known as "asset management projects," or AMPs. They are primarily federally funded, grouped together based on geographic proximity, and inspected annually based on HUD criteria. The last group of public housing projects, known as a "management unit," or MU, is comprised of state elderly housing on O'ahu and is primarily state-funded. Exhibit 1.3 details all public housing projects in the state.

Exhibit 1.3
Public Housing Projects in Hawai'i

No.	Project Name – Asset Management Project (AMP) or Management Unit (MU)	No. Federally-Funded Units	No. State-Funded Units	Total No. Units	Managed By
1	AMP 30: Pu'uwai Momi	363	-	363	State
2	AMP 31: Kalihi Valley Homes	373	174	547	State
3	AMP 32: Mayor Wright Homes	364	-	364	State
4	AMP 33: Kamehameha Homes	373	-	373	State
5	AMP 34: Kalākaua Homes	583	-	583	State
6	AMP 35: Punchbowl Homes	587	-	587	State
7	AMP 37: Lanakila Homes	364	30	394	Hawai'i Affordable Properties
8	AMP 38: Kaua'i	321	26	347	State
9	AMP 39: Kahekili Terrace	196	32	228	State
10	AMP 40: Kūhiō Park Terrace	748	-	748	Realty Laua
11	AMP 43: Ka Hale Kahalu'u	202	-	202	Hawai'i Affordable Properties
12	AMP 44: Wai'anae	260	-	260	'Ewa Pointe Realty
13	AMP 45: Kāne'ohe	226	-	226	Realty Laua
14	AMP 46: Noelani	103	26	129	Hawai'i Affordable Properties
15	AMP 49: Wahiawā	150	-	150	State
16	AMP 50: Pālolo Valley Homes	118	-	118	State
17	MU 42: Hale Pō'ai	-	576	576	Hawai'i Affordable Properties
	Total	5,331	864	6,195	

Source: Office of the Auditor analysis of Hawai'i Public Housing Authority data

Exhibit 1.4 illustrates the number of projects, units, and percentage of total statewide units managed by each private contractor and the State.

**Exhibit 1.4
Breakdown of Projects and Units, by Manager, as of June 30, 2010**

Manager	No. Projects Managed	No. Units Managed	Percent of Total Units Managed
'Ewa Pointe Realty	1	260	4.2%
Hawai'i Affordable Properties	4	1,301	21.0%
Realty Laua, LLC	2	974	15.7%
State of Hawai'i	10	3,660	59.1%
Total	17	6,195	

Source: Office of the Auditor analysis of Hawai'i Public Housing Authority data

Rental payments and subsidies

The State's Rental Supplement Program helps eligible families with part of their monthly rent. All families pay at least 30 percent of their adjusted family income in rent; the difference between their share and the total rent, up to a maximum of \$160 per month, is paid by the rental supplement program.

Rental payments and federal subsidies are paid into HPHA's three revolving funds. The federal Low-Rent Revolving Fund accounts for the proceeds from federal contributions for the development of rental property as well as rental income and federal operating subsidies from such properties. The Housing Revolving Fund accounts for various state multifamily housing projects. The Housing for Elders Revolving Fund accounts for various state elderly housing projects throughout Hawai'i.

HPHA's ancillary responsibilities

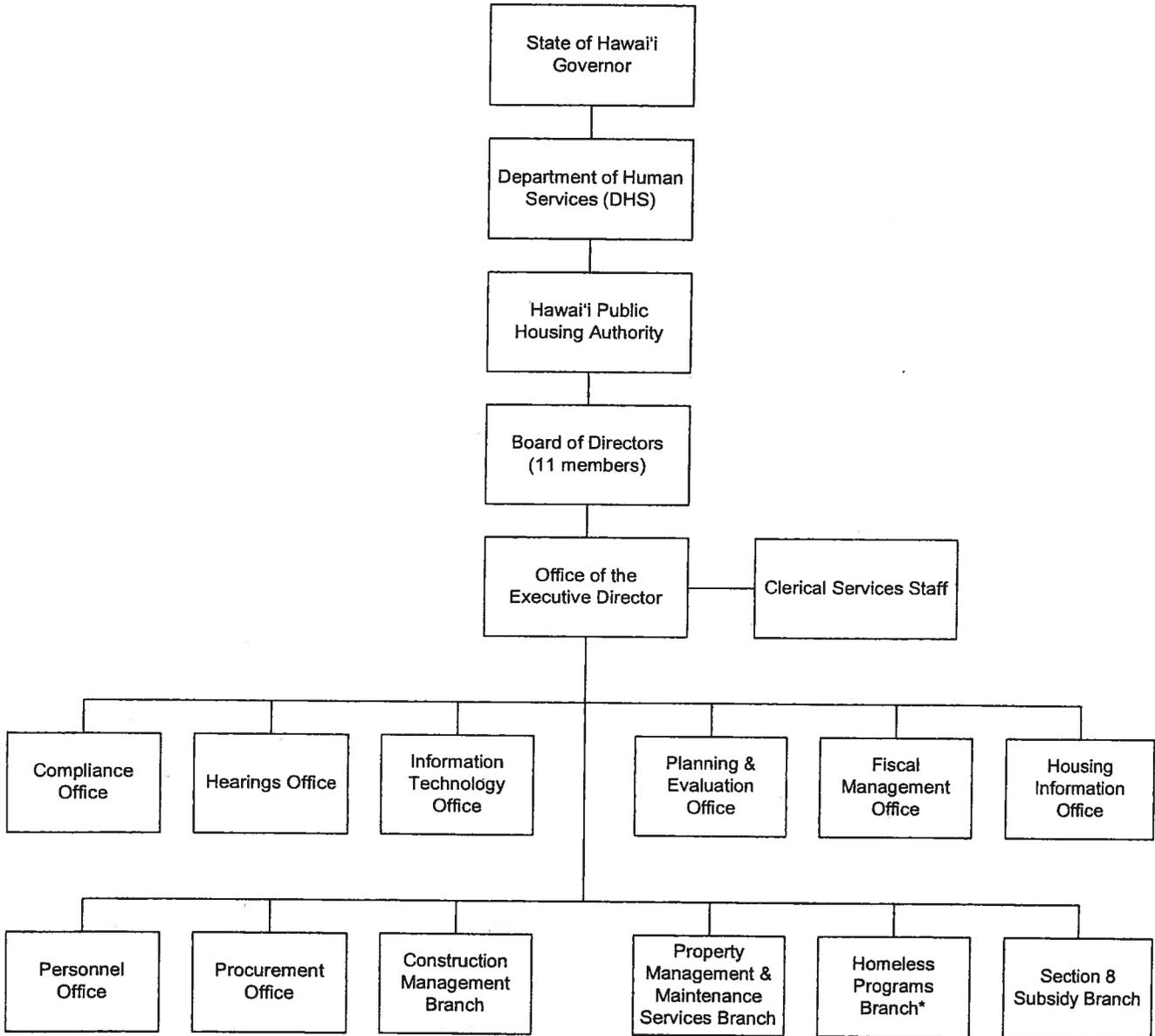
In addition to public housing, HPHA is also responsible for the federal Section 8 Housing Choice Voucher Program, which assists low-income families, elderly, and disabled persons to afford decent, safe, and sanitary housing in the private market. Participants in this program find their own housing and a subsidy is paid directly to the landlord by HPHA. Participants pay the difference between the actual rent and the subsidy.

Until July 1, 2010, HPHA was also responsible for the State's Homeless Assistance Program, which provides federal and state funding to agencies to provide various services. The services include emergency or transitional shelter, case management, meals or cooking facilities, basic survival, counseling and referral, and housing placement. Recognizing that this level of housing services is best met by the Department of Human Services, the Legislature removed this responsibility from HPHA's purview effective July 1, 2010.

Organization

The HPHA is administratively attached to the Department of Human Services. It is headed by an 11-member board of directors and comprised of the Office of the Executive Director, eight support offices, and four branches. As of June 30, 2010, the authority had 262 employees and a total of 328 approved positions. By December 2010, the authority had 325 approved positions, of which 255 were filled. Exhibit 1.5 shows the authority's organizational structure. The offices and branches relevant to this audit are described below.

**Exhibit 1.5
Hawai'i Public Housing Authority Organization Chart**



*Note: Effective July 1, 2010, the responsibilities of the Homeless Programs Branch were transferred to the Department of Human Services.

Source: Office of the Auditor analysis of Hawai'i Public Housing Authority data

The **Board of Directors** is responsible for establishing policies and executive direction for the authority. The board approves program activities and actions taken by the authority and adopts and revises its administrative rules and procedures. The board also employs the authority's executive director.

The **Office of the Executive Director** provides overall administration and management of all functions and activities for daily operations. The executive director is responsible for delivering housing services to the state.

The **Compliance Office** provides oversight to ensure programs and activities operate according to federal and state requirements, agency policies, and fair housing laws and regulations.

The **Fiscal Management Office** provides administrative assistance and advisory services in fiscal management, budget, and accounting services. The office oversees the authority's assets—including real property—and formulates policies, procedures, and standards for administering central accounting, asset management, and contract monitoring activities.

The **Planning and Evaluation Office** provides housing research, needs assessments, and overall planning support functions. The office is responsible for evaluating implementation of the authority's objectives and policies, and assists in the development of housing studies and reports.

The **Procurement Office** provides centralized procurement, storekeeping, and inventory services for the authority statewide. The office is also responsible for ensuring compliance with applicable federal and state procurement laws, rules, regulations, policies, and procedures.

The **Construction Management Branch** provides overall administration of the State's public housing rehabilitation and modernization programs. The branch coordinates and conducts periodic physical needs assessments of existing facilities, develops short- and long-range plans for modernization, capital improvement, and extraordinary repairs and maintenance of facilities. It also provides construction management, technical assistance, and architectural and engineering support.

The **Property Management & Maintenance Branch** provides for the management and maintenance of federal and state low-income public housing, vacant land, equipment, and various other properties owned or managed by the authority. The branch develops and establishes management and maintenance plans, assesses the adequacy and effectiveness of management, maintenance, and resident programs, and makes necessary adjustments to meet residents' needs.

***U.S. Department of
Housing and Urban
Development***

The U.S. Department of Housing and Urban Development (HUD) was created in 1965 and administers federal aid to public housing authorities nationwide that manage housing developments for low-income residents

at affordable rents. The U.S. Department of Housing and Urban Development also provides technical and professional assistance in planning, developing, and managing such developments.

The U.S. Department of Housing and Urban Development provides the majority of funding and oversight for public housing projects in Hawai'i. As shown in Exhibit 1.1, federal moneys account for between 76 and 83 percent of the authority's budget. Because of its vested interest in Hawai'i's public housing projects, HUD heavily scrutinizes HPHA's expenditures and management. The federal housing agency provides regulations regarding the development of public housing projects, eligibility of residents, and management and maintenance of housing projects. The agency annually grades public housing authorities' performance based on compliance with its regulations.

HUD Corrective Action Order

The authority and its predecessors have historically had problems with procurement. In 2002 HUD placed HPHA's predecessor under a corrective action order (CAO) for non-compliance with federal procurement procedures. Among other things, the authority budgeted funds for management improvements but used them on other items, did not meet deadlines for obligating funds, and failed to properly evaluate prospective professional consultants as required by federal law.

The corrective action order required the authority to submit certain documentation to HUD prior to approving any contract greater than \$25,000. The required documents relate to the solicitation and selection of contractors and employees for managerial positions, proposed contracts, and proposed contract modifications for professional services, equipment, or management services. The purpose of the CAO was to prevent and mitigate the effects and recurrence of the deficiency; failure to comply could result in financial sanctions for the authority.

The corrective action order is still in effect, but has recently been modified. In November 2010 HUD advised that, except for property management contracts, the authority is no longer required to submit the above-specified documentation to HUD prior to issuing approval.

Recent litigation

At the time we began this audit, the authority was involved in two class action lawsuits. On December 18, 2008, the tenants of Kūhiō Park Terrace and Kūhiō Homes filed two complaints against the State of Hawai'i, the Hawai'i Public Housing Authority, and Realty Laua, LLC.

The *Faletogo* litigation was filed in the Circuit Court of Hawai'i. Tenants claimed the defendants violated the warranty of habitability

implied in all residential leases; breached express terms of the leases between the tenants and the authority; breached terms of the management agreements between Realty Laua and the authority, of which the tenants are intended beneficiaries; and violated numerous state and county health and safety regulations, constituting unfair trade practices, arising from the defendants' ownership, operation, control, and management of Kūhiō Park Terrace.

The *McMillon* litigation was filed in the U.S. District Court. Tenants claimed the authority violated the Americans With Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973, and the Fair Housing Amendments Act of 1988 (FHAA); and that Realty Laua had violated the ADA and FHAA. Tenants alleged the defendants failed to provide safe and accessible housing, prepare and implement evacuation plans, remedy hazardous environmental conditions, maintain safe and accessible elevators, or implement an effective system for receiving and responding to requests for accommodations at Kūhiō Park Terrace and Kūhiō Homes.

Both lawsuits have settled. The order granting preliminary approval of the *Faletogo* settlement was made on December 6, 2010. The court noted that both the defendants and plaintiffs acknowledged that several of the conditions at Kūhiō Park Terrace that were the basis of the lawsuit have purportedly been, or are in the process of being, remediated. These include installation of a new fire alarm system, elevator modernization, and garbage chute replacement; and the authority has procured and entered into contracts for each of these projects. While the elevator modernization is in progress, the authority is also to make a freight elevator available for tenants if necessary to ensure each tower is served by two elevators during peak hours. The authority has also developed a fire disaster and preparedness plan for Kūhiō Park Terrace and is to provide tenants with a fire evacuation notice. Lastly, the authority is to make reasonable efforts to ensure Kūhiō Park Terrace is maintained in safe, sanitary, and habitable condition; and enforce the provisions of its management contract with Realty Laua. That contract requires Realty Laua to maintain the overall physical appearance and condition of the properties, including maintenance and upkeep of the individual units.

The order granting preliminary approval of the *McMillon* settlement was made on December 16, 2010. The settlement terms include all of those described above in relation to *Faletogo* as well as a monetary payment to the plaintiffs. In addition, the authority is to:

- Retain or engage a consultant for a minimum of two years to monitor compliance with the ADA and FHAA at Kūhiō Park Terrace and Kūhiō Homes, review policies and procedures

regarding ADA and reasonable accommodations, conduct training for management personnel, and review any construction or alteration plans before they are carried out;

- Make all reasonable accommodation modifications for tenants in accordance with state and federal law, accommodations which do not endanger a housing project's physical structure, create undue financial or administrative burden, or result in fundamental alteration of the program;
- Install bathroom grab bars for tenants upon request and without verification of medical need;
- Remove or reasonably mediate any barriers to the management offices which prevent, impede or hinder disabled residents from entry or exit; and
- Install three crosswalks at Linapuni Street and regularly inspect the Koko Head sidewalk between the terrace towers, and patch and smooth any cracks there.

Prior audits

This is our first audit of the Hawai'i Public Housing Authority in its present form. However, we have conducted a number of audits and studies related to housing in Hawai'i and the authority's predecessors. Relevant issues are summarized below.

In Report No. 90-07, *Audit of the Rent Supplement Program of the Hawai'i Housing Authority (HHA)* (January 1990), we found that the program had not kept pace with changes in housing needs. Policies on how the program assessed need and eligibility and where it concentrated its efforts required clarification. We questioned the program's providing support to non-immigrant student aliens and persons already receiving other types of housing subsidies. We found there were some obsolete and unnecessary provisions in the statutes and rules that required attention, questionable limits on income and assets, and inadequate efforts to verify information provided by applicants. We also found that of the program's appropriation for FY1990, HHA set aside \$1 million for other uses while cutting back on supplement payments. It also did not transfer certain moneys to the Housing Revolving Fund for proper accountability.

In Report No. 91-14, *Review of the Hawai'i Housing Authority's Repair and Maintenance Program* (February 1991), we found that:

- The authority did not collect sufficient information about the physical condition of its housing projects to plan appropriate

levels of funding for repair and maintenance. There was therefore no baseline data on the physical condition of the entire housing stock.

- The authority did not have a program of preventive maintenance to ensure housing was kept decent, safe, and sanitary. Improved communication between engineering and housing management branches was needed to establish priorities and assign responsibilities.
- Many older housing projects needed major repairs. Work was deferred, funds for extraordinary maintenance were not always spent, and planning for major repairs was not systematic. The authority had funds that could have been used for these repairs, but were not. The Housing Management and Engineering Branches developed separate budgets—regarding federal and state low rent programs, and federally funded repairs and maintenance and modernization work, respectively—but had no system to coordinate their efforts.
- It was anticipated that state funds would be needed to correct long-standing maintenance problems, but the authority lacked a commission-approved maintenance plan and attendant budget. We found the authority needed to present the Legislature with more complete financial data on its housing programs. At the time of our study, operating revenues for both the federal and state low-rent programs were insufficient to cover program needs as reported by area managers, and general funds were needed to cover the shortfall.

In our Report No. 95-2, *Financial Audit of the Hawai'i Housing Authority* (January 1995), we found that the authority was using the unrestricted administrative fees it earned for operating HUD's federal Section 8 Rent Subsidy Program to purchase equipment and appliances for housing projects. We again recommended that the authority use these funds for maintenance programs. We also found that the managing agents of the Banyan Street Manor and Wilikina Apartment Projects had not kept detailed fixed asset records as required under their management agreements, and we recommended the authority enforce these agreements.

We issued Report No. 95-7, *A Preliminary Study of a Proposed Department of Housing* (February 1995), in response to a resolution from the 1994 legislative session requesting that the Auditor examine the feasibility of establishing a Department of Housing by consolidating the Hawai'i Housing Authority (HHA), the Hawai'i Community

Development Authority (HCDA), and the Housing Finance and Development Corporation (HFDC). In this, the first of a two-phase report, we found that the three agencies perform some overlapping functions for different target groups. We concluded that various issues needed to be reconsidered, such as target client groups, housing goals, and strategies to achieve these goals before a decision was made on the how the State's housing efforts should be organized.

In our Report No. 96-7, *A Study of a Proposed Department of Housing—Final Phase* (February 1996), we reported that the State needed a clearer idea of its housing role in order to determine whether a housing department was needed. We concluded that consolidation of the HHA, HCDA, and HFDC had the potential to improve the effectiveness and efficiency of the State's efforts to achieve its housing policy goals. However, we noted that the State must evaluate its housing policies and goals in conjunction with a realistic assessment of the housing market to ensure that such a consolidation would result in operational efficiencies. We also noted that the governance and operations of such a new entity must be clearly determined and the transition well planned to address housing programs and services during the merger period, reclassification of personnel, and the need for legislation to restructure funding and organizational structure.

In Report No. 01-14, *Financial Audit of the Housing and Community Development Corporation of Hawai'i* (September 2001), the financial auditor KPMG LLP found that although the 1997 and 1998 Legislatures appropriated \$800,000 and \$8.7 million, respectively, for design and construction of roofing improvements for four state-owned low-income housing projects, in one instance the corporation did not execute a design consultant contract until 23 months after the funds became available. Three other projects faced similar delays, and this was attributed to poor communication between the board and the staff. The corporation did not dispute the findings and stated that it had established a process for prioritizing capital improvement projects and that it had instituted bi-weekly meetings to monitor the status of board-approved projects.

On March 18, 2010 we issued the *Hawai'i Public Housing Authority—June 30, 2009 Financial Statements and Single Audit Report*. The financial auditor KMH LLP found four material weaknesses related to HPHA as a whole. Specifically, a lack of appropriate management leadership and a shortage of adequate staffing in the Fiscal Management Office continued to impact significantly HPHA's ability to perform its core accounting functions, a condition which had been noted in prior years. Although the "Emphasys" system was being used as a general ledger, there was a lack of monthly financial statements; reconciliation of detailed fixed assets and CIP to the general ledger was not performed during the year; there was a lack of information to perform budget to

actual comparisons regarding sufficiency of funds to adequately cover operations; and there was a lack of information to perform monthly cost analyses at the management unit or asset management project (MU or AMP) level to identify causes of overruns. There was also a lack of clear policies and procedures, as had been noted in 2008. These included regarding cash reconciliations, tenant accounts receivable reconciliations, general accounts payable processing, HPHA's reporting, capital fund monitoring, and financial reporting procedures including HUD's Real Estate Assessment Center's electronic submission filing.

Lastly, on March 25, 2011, we issued the *Hawai'i Public Housing Authority - June 30, 2010 Financial Statements and Single Audit Report*. The financial auditor KMH LLP found nine material weaknesses related to HPHA as a whole. In addition to repeating the four material weaknesses noted above, the report noted additional problems related to the Section 8 Housing Choice Vouchers Program.

Objectives of the Audit

1. Assess and compare the Hawai'i Public Housing Authority's management of state and privately operated public housing projects in Hawai'i.
2. Assess the degree to which the authority has implemented the federally required asset management system.
3. Make recommendations as appropriate.

Scope and Methodology

The concurrent resolutions asked the Auditor to compare the performance of state versus privately operated public housing projects and to conduct a management and financial audit of the authority's maintenance contracts. At the same time, due to the economic condition of the State, the Legislature also asked that we look for ways to eliminate costs of the audit and prioritize our efforts by scoping the audit to a manageable size. We therefore did not perform a separate financial audit, since the authority has an annual financial audit conducted by a certified public accounting firm; we procure and administer that financial audit.

Our audit focused on the authority's management of its public housing projects, including its communication with project managers and its planning, execution, and monitoring of contracts with private project managers. We compared the performance and management of selected state- and privately-run housing projects. We also focused on the degree to which selected housing projects had implemented the federally required asset management system, including the authority's and the

board's guidance and initiative in that effort. We particularly looked at communication between the board, the authority, and individual housing project managers. We did not evaluate any housing voucher choice (Section 8) or homeless programs. Our audit covered the authority's activities from July 1, 2006 through June 30, 2010. We also took into account developments from July 1, 2010 through the close of our fieldwork in February 2011.

We conducted interviews with authority management and key staff, federal oversight officials, legislators, board members, and representatives of public housing management companies. We reviewed planning documents relating to governance, policy formation, procurement, and repairs and maintenance conducted within the public housing projects. We examined federal and state guidelines; internal policies, procedures, and memos; contracts and amendments; and procurement and expenditure documentation. We reviewed procedures and transactions for compliance with applicable laws, regulations, and contract provisions.

We also conducted site visits at six housing projects around the state. Of the housing projects we visited, one was managed by the State, three by private contractors, and two by both state and private contractors at different times during the period under audit.

Based on the authority's list of private contractors managing housing facilities for FY2007 through FY2009, we judgmentally selected asset management projects to include all contractors who had worked with the authority during the relevant time period. This sample covered approximately 77 percent of the privately managed housing units in the state.

Our audit was performed from June 2009 through March 2010 and December 2010 through February 2011. Our audit was conducted according to the Office of the Auditor's *Manual of Guides* and generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence we obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Chapter 2

Tenant Welfare Can Improve By Prioritizing Performance Monitoring and Asset Management

This audit was conducted as a result of two concurrent resolutions that focused on the Hawai‘i Public Housing Authority’s management of its units and contracts. We found there was no significant difference in either the performance or management of the Pu‘uwai Momi versus West O‘ahu housing projects or any of the other state-run versus privately-run housing projects that we reviewed. Instead, our greater concern was with how the authority monitors all of its public housing projects and its lack of progress in implementing the federally required asset management model of operation.

Further, on the authority’s monitoring of its public housing projects, we found that for the period under audit (July 1, 2006 through June 30, 2010) the authority’s oversight was ineffective. The Property Management and Maintenance Services Branch, which is responsible for managing the authority’s housing projects—specifically, for overseeing their individual managers—lacked staff with the resources and time to sufficiently monitor project managers’ performance to ensure they achieved expectations and that any problems were identified and resolved. Thus, oversight was erratic regarding rent collection and federal reporting requirements, as well as issues directly affecting tenants’ daily lives. Those issues included building conditions, property upkeep, and the amount of time taken to address repair and maintenance problems. Contract monitoring was also inconsistent, with performance deficiencies not always identified or corrected.

In relation to asset management, we found the authority is severely behind schedule. In 2005 the U.S. Department of Housing and Urban Development (HUD) issued a rule that public housing agencies that own and operate 250 or more units are required to convert from an agency-centric management model to an asset-based management model. The deadline for meeting the accounting and budgeting components of this model was June 30, 2007; full implementation of all components of the asset management model is required by June 30, 2011. Due to the authority’s late start, it will be extremely challenging to meet this deadline.

Summary of Findings

1. The Hawai‘i Public Housing Authority’s ineffective oversight of state- and privately-managed housing projects impacts tenant welfare.
2. The authority has not yet implemented the federally mandated asset management system.

The Authority’s Ineffective Oversight of State- and Privately-Managed Housing Projects Impacts Tenant Welfare

The Hawai‘i Public Housing Authority (HPHA)’s ineffective oversight of state- and privately-managed housing projects means the authority cannot ensure it is fulfilling its mission to “promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.” We found that the authority’s monitoring of its housing project managers, both state and private, is sporadic and therefore lacks robustness. Both state- and privately-run housing projects have backlogs of repair and maintenance issues. Turnaround on vacant units at both state and privately run housing projects is slow; adversely impacting families on the waiting list as well as rent collections. Inventory procedures vary considerably between housing projects and hamper managers’ ability to effect quick repairs. There is no uniform method for addressing tenant complaints, which means trends cannot be extrapolated or rectified.

The authority administers both federal- and state-funded public housing projects. Statewide, there are 5,331 public housing units in 67 federally funded buildings and 864 units in 14 state-funded buildings. These units and buildings are organized into 16 federal asset management projects (AMPs) and one state management unit (MU). A few state buildings are grouped within otherwise federal AMPs.

As the vast majority of public housing in Hawai‘i—86 percent of all units—is funded through the U.S. Department of Housing and Urban Development, HUD scrutinizes and grades the authority and its AMPs to ensure the quality of HUD-assisted housing stock. In 2007, HUD gave the authority an overall score of 75 percent, designating it a *standard* performer. The score was composed of four elements: 1) physical condition of properties, 2) financial condition, 3) management operations, and 4) resident services and satisfaction. Since 2007, HUD has not provided any agency-wide scores (this is due to the transition to “asset management,” which is discussed under our second major finding, below); however, HUD continues to issue physical assessment scores for each AMP. In 2008, four of Hawai‘i’s 16 AMPs (25 percent) received failing scores of less than 60 percent. In 2009, all AMPs received

passing scores, while in 2010, nine AMPs (56 percent) failed. This extreme fluctuation in physical assessment scores is indicative of the authority's faulty oversight of its AMPs. Without uniform and proactive monitoring, the authority cannot regularly identify and rectify problems in a timely manner.

Physical scores also represent the living conditions for thousands of Hawai'i residents. Failing scores reflect multiple violations on the physical upkeep of a total housing site: from items such as fencing, grounds maintenance, and building foundations to issues such as roofs, water and electrical systems, and the habitability of individual dwelling units. For thousands of people living in public housing and thousands more waiting for a public housing unit, a stronger monitoring system would mean not just an improved physical assessment score from HUD, but a better and more habitable dwelling for them and their families.

**HPHA's monitoring
of its AMP managers
lacks robustness**

The authority is responsible for overseeing the management of all its public housing projects (AMPs); however, each AMP—regardless of whether it is operated by the State or by a private contractor—has its own manager. We found that the authority's monitoring of AMP managers' performance needs to be strengthened; there was no consistency in the monitoring of either state- or privately-managed AMPs.

According to the U.S. General Accounting Office (now known as the Government Accountability Office)'s *Standards for Internal Control in Federal Government*, the purpose of monitoring is to assess the quality of performance over time and ensure that the findings of audits and other reviews are promptly resolved. This was seriously lacking in the authority's oversight of individual AMPs. We found no evidence that the authority addresses specific skills or corrects misunderstandings for managers of non-performing AMPs. Moreover, AMP managers operate according to their own understanding of requirements, rather than as a result of training or formal guidance from the authority. In addition, remedies for non-performing privately-contracted AMP managers are not utilized effectively.

Monitoring should be performed as part of the authority's normal operations, included in regular management and supervisory activities, comparisons, and other actions within normal duties. Monitoring should be governed by policies and procedures to ensure findings are promptly resolved. Management should promptly evaluate findings, determine appropriate actions, and complete, within an established timeframe, actions that correct or resolve matters brought to their attention.

The authority's oversight of its AMP managers' performance is inconsistent and inadequate

We found that the authority's oversight of AMP managers' performance is inconsistent and does not promote accountability. The authority does not have written policies and procedures governing the monitoring process, resulting in monitoring reports that were not consistently submitted by assigned staff. The branch chief also did not require staff to provide documentary evidence, such as photos or specific descriptions of site visits. Moreover, there were no repercussions for monitoring staff who did not complete their monitoring reports.

The authority has not provided AMP managers with consistent or complete written policies and procedures, which contributes to inadequate performance. Although public housing specialists are meant to visit AMPs monthly, this does not consistently occur, leading to poor communication between the authority and its AMP managers and ultimately contributing to an environment lacking in accountability. When there are new policies, the authority communicates them to AMP managers by email or through an interoffice memorandum; but based on discussions with AMP managers, we conclude these notifications are performed inconsistently. Lack of guidance from the authority allows AMP managers to operate as they please. For example, one AMP manager reported that until she receives a formal policy from the authority on a particular issue, she will continue to create her own for in-house use.

Of the authority's 16 AMPs and one MU, eight AMPs and the MU were managed by private contractors during the period under audit. Of those, we selected a sample of five AMPs and the MU (77 percent of privately managed housing units) to test the specific monitoring performed by the authority. For the 21-month period October 2008 through June 2010, we expected to receive 126 monthly monitoring reports (six AMPs multiplied by 21 months); however, we received only 71 reports (56 percent of the number expected).

According to the Property Management and Maintenance Services Branch (PMMSB) chief, who is responsible for monitoring the State's entire housing property inventory, the lack of reports was primarily due to insufficient monitoring staff. In one case, however, the relevant staff member simply did not do the work; yet the staff member experienced no repercussions as a result. This is an example of the branch chief not holding staff accountable for their work. In another instance, the branch chief admitted that she advised staff to not monitor a particular AMP and instead to focus their efforts elsewhere. However, we found no risk assessment or other documentation showing the AMP in question performs at an adequate level and thus requires less oversight.

Moreover, this change in policy directly conflicts with the branch chief's responsibilities. The chief's position description specifically states that the chief is to monitor and evaluate program operations to determine levels of effectiveness and accomplishment of objectives, and that monthly inspections of all projects are to be done to evaluate the condition of physical facilities to ensure they are maintained according to established state and federal standards.

For the reports we did receive, there was no evidence that underperforming AMP managers received counseling or coaching for improvement. The branch chief told us that if an AMP manager does not achieve certain benchmarks, monitoring staff might work with the manager and develop a corrective action plan to rectify the problem. However, we saw no corrective action plans in any of the monitoring reports we reviewed, despite seeing reports where benchmarks were not achieved on a consistent basis.

Deficiencies included reporting of income discrepancies, community service, and crime reports that were either late or not submitted at all. In addition, housing specialists are supposed to report on overall physical appearance of properties based on site visits. However, the monitoring reports we reviewed did not provide evidence that monthly site visits were conducted, as there were no notations or photographs to document observations. For the reports we examined, there was no clear indication of improvement in contractors' performance. Reports often indicated a discrepancy in one month, but there was no follow-up made by the housing specialist in the following month; or the same discrepancy was reported in subsequent months, with no resolution noted.

In addition to the inadequate system of monitoring, PMMSB lost all three full-time monitoring staff (due to resignation or retirement) in February, March and July 2010, respectively. Due to statewide budget constraints, the State was in a hiring freeze and the branch chief reported that she was unable to hire replacement staff until recently, in December 2010. Rather than reassign monitoring functions to other staff, the branch chief absorbed the responsibilities herself. By July 2010, the branch chief alone was left to monitor all of the State's properties; as a result, monitoring fell by the wayside. Instead of completing monthly monitoring reports, the branch chief reported to us that she reviewed a combination of high-level reports and investigated anomalies in specific AMPs as complaints were received. However, the branch chief did not maintain any documentation to evidence this change in her monitoring process. The authority has since hired staff to fill these vacant positions, but it remains to be seen whether monitoring will resume accordingly. With the branch now fully staffed, the branch chief and executive director should ensure that expectations regarding work required, particularly in relation to monitoring, are clearly communicated and enforced amongst new hires.

Underperformance by AMP managers, and monitoring to ensure this does not occur, is a serious issue. An AMP manager's performance directly impacts a housing authority's HUD score for overall management of its housing projects, and poor scores can lead to decreased federal funding, which is something the State cannot afford to lose. By not performing this function, the authority does not provide itself with a baseline for continued improvement and accountability. Some performance categories (such as vacancies) have remained unchanged, which shows that AMP managers face lax consequences for not meeting standards and have no real incentive for improvement. Moreover, by not monitoring AMP managers consistently, the authority cannot be assured that tenants are provided with a suitable living environment in accordance with its mission. The authority should hold both state and private AMP managers, contract administrators, and the branch chief who oversees them accountable for their respective performance. In instances where staffing constraints limit availability for recurring monitoring, the authority should employ a risk-based approach in its review process. A well-executed monitoring system would provide the authority with information and assurance on how well AMP managers are addressing tenants' physical needs.

The authority does not consistently enforce private contract terms to protect the State's interest

We reviewed the terms of contracts with private AMP managers and found that although remedies exist for poor performance, they are not utilized by the authority to demand better performance from its contractors. For example, contracts explicitly allow for oversight through desk monitoring, site inspection, and other appropriate methods. In addition, if certain benchmarks (such as completing particular reports or work orders within a specified timeframe, turning over vacant units within 20 days, or passing physical site inspections) are not met, a portion of the contractor's management fees can be deducted. If a contractor fails to comply with requirements, the authority can engage another company to remedy the problem and deduct the cost from the original contractor's fees. If costs of remedying the defect are higher than what was due to the original contractor, the original contractor must pay the difference to the authority.

In four of the six privately-managed AMPs we reviewed, there were several occasions when the private contractor did not receive its full monthly management fee as a result of failing to meet specific benchmarks. However, although deductions were for contractor underperformance, corrective action plans were not implemented. In subsequent months, contractors continued to receive either a portion or their full management fee, yet there was no documentation or explanation

for the withheld fees, nor anything addressing how the problem had been remediated. The lack of explanatory documentation was compounded by the fact that many monitoring reports were not completed at all, as we described above. We note that according to the executive director, the authority is now beginning to address this discrepancy and to align individual performance reviews, including those for state workers, with the performance of their respective housing projects.

Failure to adequately monitor and enforce contractual terms is contrary to best practices as laid out in the National State Auditors Association Best Practice Document “Contracting for Services.” Contract monitoring is an essential part of the contracting process; without it, the contracting agency cannot be assured that contractors are complying with contractual terms, performance expectations are achieved, and problems are appropriately identified and resolved. The authority should assign a contract manager with the authority, resources, and time to monitor the project. The authority should also ensure that deliverables are received on time and document the acceptance or rejection of deliverables.

We also found that the authority does not evaluate contractors’ performance upon completion of their contracts. Many contracts are multi-year, with annual renewal stipulations. We reviewed 41 contracts and contract extensions; although 12 contracts ended during the time period under audit, no contractor evaluations were conducted. The contracts and procurement officer told us that monitoring reports are one factor used to determine whether to extend a contract, but it is the PMMSB chief who decides whether or not to extend a specific contract. In instances of unsatisfactory performance, a contract may be extended if there is a continued need for services, if there have been no signs of intentional negligence, or if the contractor has shown adequate progress with a corrective action plan. According to the PMMSB chief, she now intends to begin documenting contractors’ performance in order to help determine future contracts; however, we note that at the time of our audit work, overall monitoring was lacking. The authority should explicitly document problems with performance to ensure contractor accountability.

Failing property assessment scores indicate a failure to communicate and enforce standards

We found that AMP managers, both public and private, are not held accountable for poor performance at public housing projects. Without an effective monitoring system, the authority cannot guarantee AMP managers are held accountable for their performance, which directly impacts tenants.

The U.S. Department of Housing and Urban Development conducts annual site visits to each federally funded property and grades it based

on physical assessment criteria which focus on the overall site, building exteriors, building systems, dwelling units, and common areas. A passing score is 60 percent. If a public housing authority scores poorly, federal funding can be withheld. Exhibit 2.1 shows the individual physical assessment scores for each of Hawai'i's public housing projects (AMPs) over the past three fiscal years.

Exhibit 2.1
Physical Assessment Scores, by AMP

AMP	FY2008	FY2009	FY2010	Managed By
30: Pu'uwai Momi ('Aiea, O'ahu)	55	68	62	State
31: Kalihi Valley Homes (Kalihi, O'ahu)	65	61	64	State
32: Mayor Wright Homes (Honolulu, O'ahu)	71	67	52	State
33: Kamehameha Homes (Honolulu, O'ahu)	72	82	57	State
34: Kalākaua Homes (Honolulu, O'ahu)	85	78	75	State
35: Punchbowl Homes (Honolulu, O'ahu)	83	86	43	State
37: Lanakila Homes (Hilo, Hawai'i)	78	92	77	State
38: Kaua'i (Kapa'a and Kekaha, Kaua'i)	65	81	53	State
39: Kahekili Terrace (Wailuku, Maui)	72	74	66	State
40: Kūhiō Park Terrace (Honolulu, O'ahu)	22	72	40	Private
43: Ka Hale Kahalu'u (Kailua-Kona, Hawai'i)	74	76	64	Private
44: Wai'anae (Wai'anae, O'ahu)	53	73	39	Private
45: Kāne'ohe (Kāne'ohe, O'ahu)	65	85	45	Private
46: Noelani (Waimea, Hawai'i)	75	87	68	Private
49: Wahiawā (Wahiawā, O'ahu)	66	92	49	State
50: Pālolo Valley Homes (Honolulu, O'ahu)	45	64	40	State

Source: Office of the Auditor analysis of Hawai'i Public Housing Authority data

As illustrated in Exhibit 2.1, performance on the physical assessment indicator was not significantly different between state- and privately-managed AMPs; both need improvement. We found that both state and private AMP managers' awareness of protocols and understanding of public housing management varied significantly, and this was because the authority has failed to uniformly communicate and enforce standards. For instance, in areas where managers were asked to define common reporting terms and usage, we found a wide disparity in interpretation. This is significant because, as previously noted, the performance of individual AMPs relates directly to federal oversight and ultimately to federal funding. Therefore, particularly in areas where HUD assesses AMP performance, a common understanding of specific terms should be communicated to AMP managers to ensure that terms are applied appropriately and uniformly to specific criteria. The authority should develop a training program to promote standard interpretation of HUD terminology.

The physical scores detailed above are also indicative of other issues. For example, we found that at the AMPs we reviewed, repair and maintenance issues and the processing of work orders and related paperwork in a timely manner were highly unsystematic. Asset management project managers told us that delays in these areas were closely tied to their level of staffing, materials inventory on hand, and inability to make timely purchases. However, we found that the cause more often related to individual AMP managers' leadership priorities and abilities. With the authority's guidance, an AMP manager should be able to identify priorities and make plans accordingly so that routine needs can be addressed more promptly. This in turn will aid the authority in achieving its mission to promote adequate and affordable housing.

State- and privately-managed AMPs have backlogs of repairs

We found no consistency in managing or processing work orders, either within our sample overall or amongst either state- or privately-run AMPs. A work order is generated by either an AMP's maintenance or administrative staff whenever an area is identified by tenants, management, or outside inspector(s) as requiring repair or maintenance. A new work order is opened within the authority's accounting system, Emphasys, identifying the work required and prioritizing the job by the type of work required. For example, repairs to address health and safety issues are prioritized as *emergency* work orders and must be abated within 24 hours. *Urgent* matters are to be addressed within 48 hours; and routine maintenance repairs reported by tenants or requested by management are to be addressed within 25 calendar days.

We reviewed closed work order statistics for selected AMPs. As illustrated in Exhibit 2.2, all these AMPs attended to non-emergency work orders in less than 25 days, as required by the authority. However, none managed to consistently abate emergency work orders within 24 hours. For privately-run AMPs, management fees were deducted for these failures; but as previously noted, we did not see any documentation regarding subsequent corrective action.

Exhibit 2.2
Closed Work Order Statistics, Selected AMPs, FY2010

AMP	Total Work Orders	Average Days to Repair Non-Emergency Work Orders	Total Emergency Work Orders	Percent Emergency Work Orders Abated Within 24 Hours
30: Pu'uwai Momi (state)	3,886	8	202	88.11%
38: Kaua'i (state)	996	12	170	93.52%
40: Kūhiō Park Terrace (private)	4,599	8	651	95.85%
44: Wai'anae (private)	1,564	19	86	68.60%
45: Kāne'ohe (private)	1,125	14	26	92.30%
49: Wahiawā (state)	609	1	99	98.98%

Source: Office of the Auditor analysis of Hawai'i Public Housing Authority data

We also reviewed open work orders. For the six AMPs we reviewed, for the period January 1, 2004 through February 1, 2011 there were 1,332 open work orders. Of those, 35 (3 percent) were outstanding for more than a year, as shown in Exhibit 2.3.

Exhibit 2.3
Open Work Orders, Selected AMPs, January 1, 2004 Through February 1, 2011

AMP	Open Work Orders	Open Less Than 365 Days	Open More Than 365 Days
30: Pu'uwai Momi (state)	660	656	4
38: Kaua'i (state)	33	32	1
40: Kūhiō Park Terrace (private)	44	44	-
44: Wai'anae (private)	309	282	27
45: Kāne'ohe (private)	156	154	2
49: Wahiawā (state)	130	129	1
Totals	1,332	1,297	35

Source: Office of the Auditor analysis of Hawai'i Public Housing Authority data

Most open work orders related to leaks, broken door knobs, broken screens, clogged sinks, and toilets (i.e., non-emergency repairs). We also found that, for a selection of work orders outstanding more than a year, AMP managers were unaware the work orders were open, either because they lacked procedures to close the work order, or the work had been done but no one had recorded the information. According to the branch chief, monitoring procedures do not include reviewing open working orders. Based on this, the branch should consider developing procedures to review open work orders to ensure tenant needs are addressed in a timely manner.

We found that although the process for generating and prioritizing work orders was generally the same amongst AMPs, there was no consistency in closing work orders. At one AMP, maintenance staff could simply telephone the main office and report a work order closed, with no evidence of verification by the tenant. At another AMP, the manager reportedly did not have enough staff to close work orders within the Emphasys accounting system because they were focused on other tasks. However, at yet another AMP, work orders were systematically reviewed monthly to ensure progress. Although we acknowledge that the number of open work orders reported in the Emphasys system could simply be an administrative backlog of paperwork, we believe that given the large number of failing physical assessment scores throughout the authority, it is not unreasonable to conclude that the number of open work orders represents actual work requiring attention. Ultimately, such backlogs impact the tenants' quality of life.

Deferred maintenance slows vacant unit turnarounds

Failure to close repair and maintenance work orders in a timely manner also affects an AMP's ability to quickly turn over a vacant unit to a new tenant. According to the authority's maintenance policies and procedures, vacant units should be made ready for re-occupancy within 20 calendar days of notification of availability.

As of February 15, 2011, the authority had a total of 233 vacant units that either had pending minor maintenance work or were available for rent; overall, these units had been vacant an average of approximately six months. Exhibit 2.4 shows that for the AMPs we visited, there were 82 vacant units pending minor maintenance or available for rent as of February 15, 2011. The units were vacant an average of 180 days.

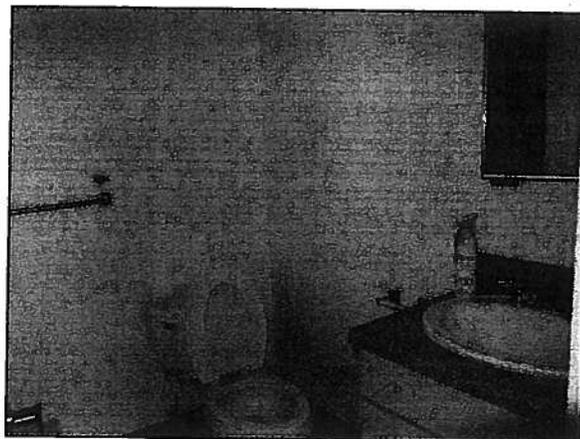
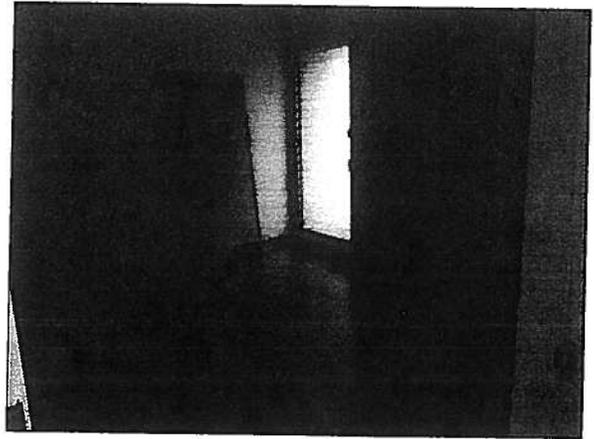
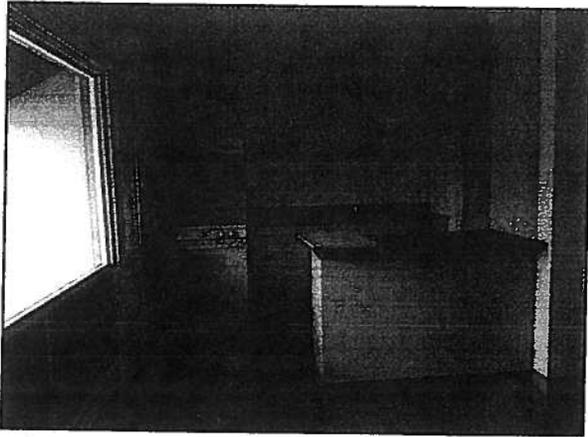
Exhibit 2.4
Current Vacancies, Selected AMPs Through February 15, 2011

AMP	No. Units Vacant	Total No. Days Vacant	Average No. Days Vacant
30: Pu'uwai Momi (state)	15	1,841	123
38: Kaua'i (state)	21	4,770	227
40: Kūhiō Park Terrace (private)	14	1,200	86
44: Wai'anae (private)	14	3,817	273
45: Kāne'ohe (private)	6	891	149
49: Wahiawā (state)	12	2,251	188
Totals	82	14,770	180

Source: Office of the Auditor analysis of Hawai'i Public Housing Authority data

We toured some of these vacant units and noted that they required varying degrees of repair. In one instance, shown in Exhibit 2.5 below, the tenant vacated in July 2010 and the repair needed was very minimal; maintenance staff told us it would take approximately three days to make ready for a new tenant. However, as of February 2011, the unit had not been repaired and was unoccupied. With an average rent of \$212 per month, this unit represents lost revenue of approximately \$1,500 through February 2011.

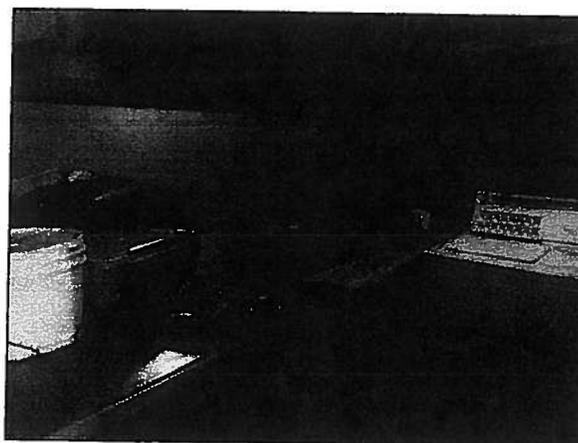
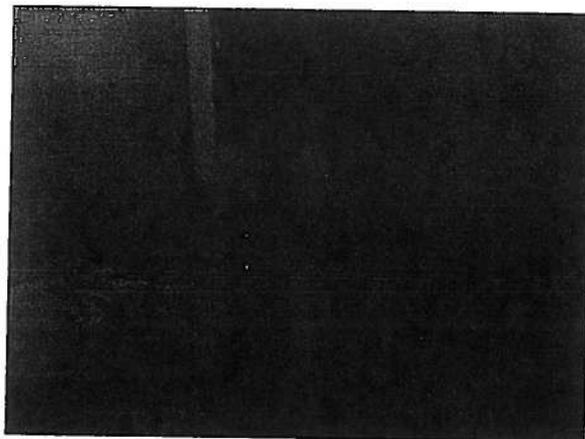
Exhibit 2.5
AMP 49, Wahiawā, Unit Vacated July 2010



Source: Office of the Auditor

In another instance, shown in Exhibit 2.6 below, tenants were evicted from their four-bedroom unit in July 2010, leaving behind many of their possessions. Maintenance staff reported this unit would take approximately 4.5 days to make ready for a new tenant. However, the unit had not been cleaned or reoccupied as of February 2011. According to the authority, the average rent for a four-bedroom unit is approximately \$425 per month; this unit thus represents lost revenues of approximately \$3,000 through February 2011.

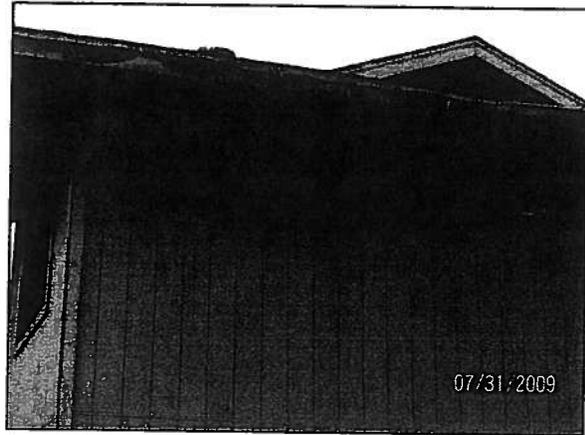
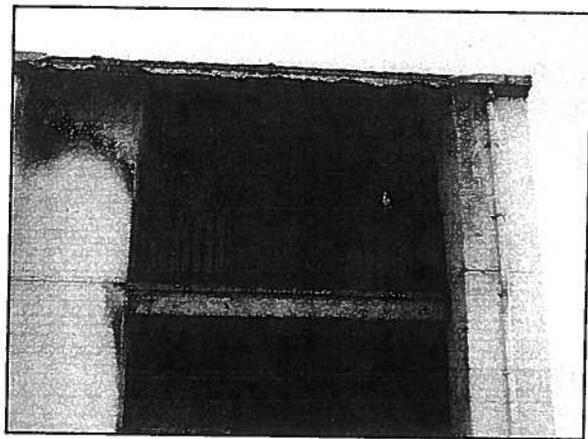
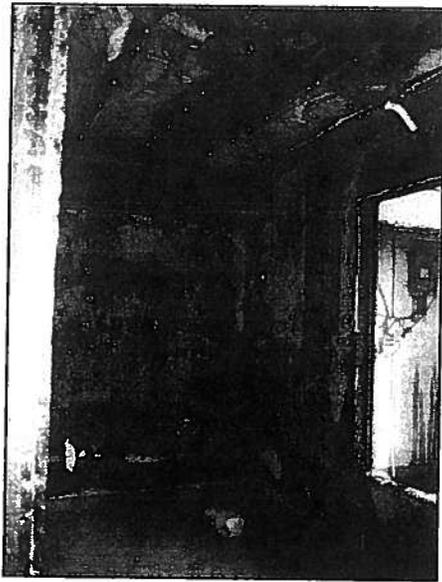
Exhibit 2.6
AMP 30, Pu'uwai Momi, Unit Vacated July 2010



Source: Office of the Auditor

There are also a number of units statewide that require larger scale, major renovations, such as those suffering from roof or structural damage and which require additional expertise not available at an AMP level. As of February 15, 2011, the authority had 146 of these units, which have been vacant an average of 3.7 years. Examples of this type of unit are shown at Exhibit 2.7 below.

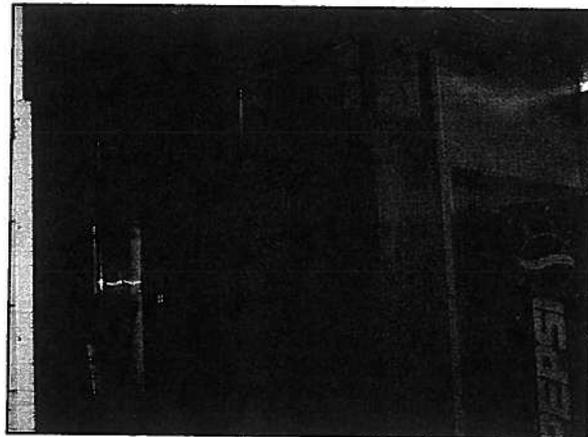
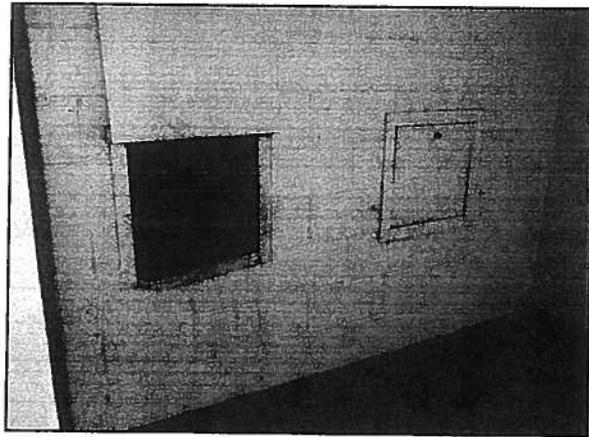
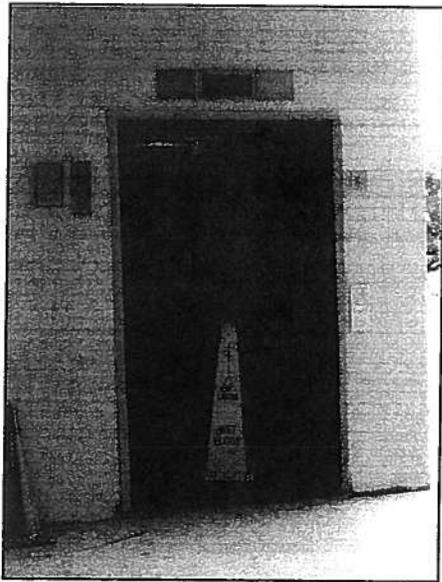
Exhibit 2.7
AMP 44, Wai'anae, Units Damaged by Fire in 2005 and 2008



Source: Office of the Auditor

These larger scale renovations are the responsibility of the authority's Construction Management Branch, not the individual AMP. In addition to the renovation of units as described above, the Construction Management Branch is responsible for prioritizing unit-specific repairs against structural and system repairs across the state. Examples of such repairs include the hot water problem at Mayor Wright Homes, and broken elevators and garbage chutes at Kūhiō Park Terrace, both of which have received considerable media attention. Exhibit 2.8 below shows ongoing construction projects at Kūhiō Park Terrace. The authority reports that the garbage chute repairs should be completed by July 2011 and elevator repairs by December 2011.

Exhibit 2.8
Ongoing Construction Projects at AMP 40, Kūhiō Park Terrace



According to HPHA, garbage chutes (top right) should be repaired by July 2011. Freight elevator (left) is used to remove garbage until the garbage chute repairs are complete. Passenger elevator (bottom right) should be repaired by December 2011.

Source: Office of the Auditor

Delays in turning around vacant units to new tenants impact families waiting for public housing, rent revenues, and overall funding available to the authority. The authority reports that approximately 9,000 families are on the waiting list for public housing and that the average wait time is between two and five years. Given that the authority's mission is to promote adequate and affordable housing, when housing units sit broken and empty as a wait list for them grows, the authority is not achieving its overall mission.

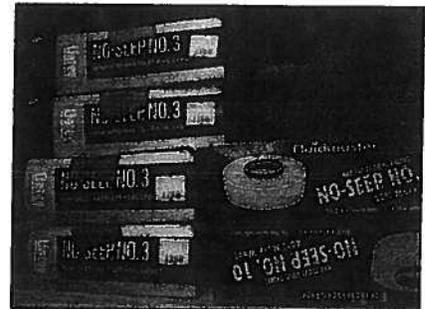
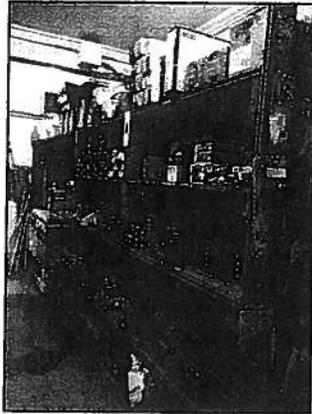
Turning over vacant units to new tenants should be a priority for HPHA, second to its main responsibility of addressing emergency and existing health and safety repairs. The authority should prioritize completing work orders and turning over vacant units to new tenants, although we acknowledge that the latter must be balanced against the authority's statewide list of much-needed capital improvement projects. Priorities should be communicated to stakeholders (including AMP managers and tenants) to promote understanding of the authority's plans to reduce its 9,000-plus wait list and serve its population by achieving maximum tenancy.

Streamlining inventory processes would assist with repair and maintenance backlog

We also found that inventory processes at the six AMPs we visited varied considerably. At one location, a systematic process was in place wherein an item could be easily identified given the coding on its label, tied to the related inventory listing, and assigned to a specific work order so charges would be properly reflected. At another, the arrangement of inventory items was haphazard, with no clear organization or labeling, and items could not be traced to inventory listings. Only maintenance staff were able to identify items and assign them to a work order.

We found no correlation between an AMP's type of management (state or private) and the quality of its inventory system. For instance, AMPs 38 (Kaua'i) and 40 (Kūhiō Park Terrace), state- and privately-managed respectively, each had inventory systems that were organized and had adequate amounts of dedicated space. Managers for both these properties had systematic approaches to procurement and restocking to ensure that an appropriate level of stock was on hand. In addition, both managers clearly understood and articulated the need for a systematic approach to inventory management: in order to efficiently address repair and maintenance issues it is necessary to have regularly used items on hand, such as plumbing items, toilet repair items, and screens. Exhibit 2.9 shows a well-functioning inventory system.

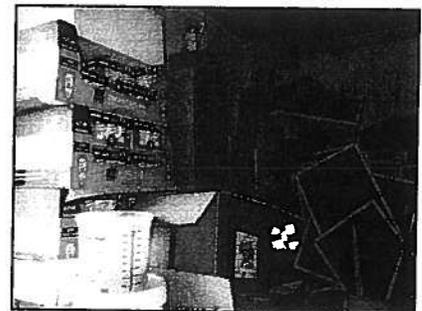
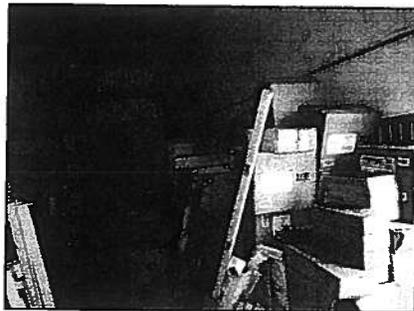
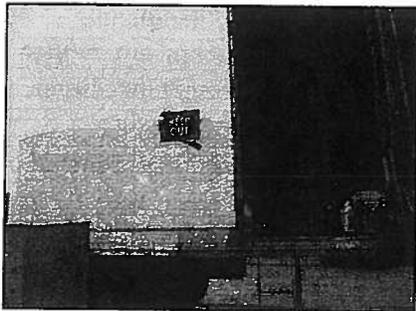
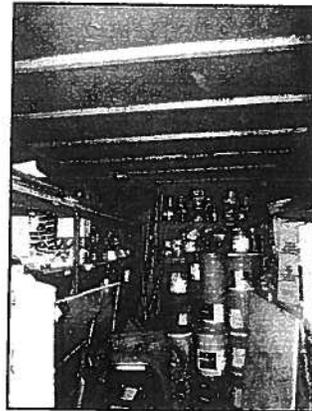
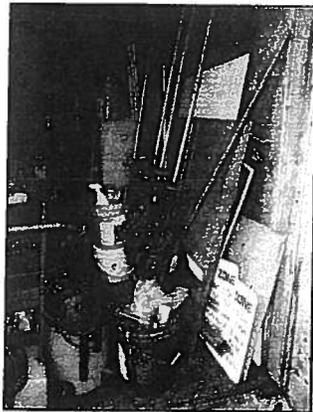
Exhibit 2.9
Inventory at AMP 38, Kaua'i



Source: Office of the Auditor

At other AMPs, however, we found inventory was disorganized, with items not clearly marked or arranged. In some cases items were stacked, sometimes unstably, causing a potentially hazardous situation for individuals accessing materials. Moreover, at those sites the AMP managers reported that items listed in Emphasys did not necessarily represent actual stock on hand. Where inventory was disorganized, AMP managers complained of difficulties in addressing repair and maintenance issues due to lack of needed materials. They also reported that procuring items was cumbersome and that repairs were delayed as a result. Exhibit 2.10 shows an asset management project that did not have a well-maintained inventory system.

Exhibit 2.10
Inventory at AMP 45, Kāneʻohe



Source: Office of the Auditor

We found there is a discernible difference in state- versus privately-managed AMPs' ability to procure quickly: state-run AMPs can use purchasing cards (known as pCards) for small purchases of under \$1,000, while privately-managed AMPs must always use purchase orders, which require prior approval for every purchase and are therefore time consuming. However, although using pCards may speed up the procurement process in the short term, proper planning and prioritizing—tasks done prior to purchasing—are more important factors in ensuring appropriate inventory is available. The executive director and the PMMSB branch chief agree with us in this viewpoint.

Given that there are well-functioning inventory systems at both a state-run (Kaua'i) and at a privately-run (Kūhiō Park Terrace) AMP, the authority should consider developing a method to share best practices among its public housing projects. Managers at the AMPs we visited expressed an interest in bettering their operations, but they have no way of learning from other managers within Hawai'i and other jurisdictions.

The authority lacks a consistent method for addressing tenant complaints

We found no consistent method utilized to track tenant complaints, either at the AMP or authority level. Complaint logs were not maintained at any of the AMPs we visited or at the authority centrally. Asset management project managers anecdotally reported that tenant complaints are often related to noise, pets, suspected drug dealing, loitering, gambling, and repairs.

For complaints related to repair and maintenance issues, a work order is generated, and depending on the severity of the problem, the repair is prioritized based on the authority's maintenance guidelines. Emergency and health and safety situations must be abated within 24 hours, per federal requirements. For non-maintenance related complaints, managers reported that they work with the tenant and retain any written documentation within the tenant's file. However, we found that absent a logging mechanism and without prior knowledge of an existing complaint, there is no way to track the progress or outcome of a tenant's complaint.

The authority has not provided AMP managers with specific guidance for managing tenant complaints. The Property Management and Maintenance Services Branch chief also does not maintain a complaint log; instead she offered us access to all the telephone messages which she said documented the complaints. However, we note that the ability to access all tenant files or all complaints-related messages misses the point. The purpose of a log book is to record all complaints as they are received and provide a singular point of reference to review as needed to ensure tenant complaints have been addressed. The authority should develop a means to ensure tenant complaints are uniformly documented, recorded and addressed, and communicate this clearly to all AMP managers.

The Authority Has Not Yet Implemented the Federally-Mandated Asset Management System

The authority is behind in implementing the HUD-mandated “asset management” system. Now five years since the directive was issued, the authority has yet to reach the level expected of first-year implementation.

Asset management is a method of managing public housing properties, intended to improve the operational efficiency and effectiveness of public housing assets by shifting accountability from the central housing authority (in this case, HPHA) to individual AMP managers. In 1999, the U.S. Congress directed HUD to contract with Harvard University to conduct a study on the cost to operate well-run public housing. Harvard’s Public Housing Operating Cost Study, completed in 2003, asserted that public housing agencies operate under extremely centralized arrangements, which is counter to good business practice and an ineffective use of resources. The report recommended a shift to an asset management model, maintaining it would help achieve steady performers among the vast majority of properties because owners (in Hawai‘i’s case, AMP managers) would be responsible for the real consequences of poor performance. Thus, implementing the model would result in high compliance and low monitoring costs. Pursuant to the Harvard study, in 2005 HUD released a new operating funding formula and required public housing authorities that own and operate more than 250 units to convert from their agency-centric management model to the asset management model.

Under the asset management model, AMP managers are to have greater flexibility in managing their specific budgets—and therefore a greater ability to preserve and protect each housing asset—while tenants will be able to hold managers directly responsible for their living conditions. Essentially, asset management encourages managers to operate their properties as businesses, monitoring rent revenues and managing related expenditures in order to accrue capital for long-term preservation and/or growth of those assets. The five elements of asset management are project-based funding, budgeting, accounting, management, and oversight/performance assessment. Public housing authorities (such as HPHA) are directly responsible for implementing three of these elements: project-based budgeting, accounting, and management.

Project-based budgeting means that operating budgets are created by and for each project (in this case, for each AMP), rather than the authority as a whole. *Project-based accounting* means tracking financial performance at the project (AMP) level, and requires providing AMPs with the necessary information for them to make effective decisions for their AMP. *Project-based management* means that property management services are tailored to the unique needs of each AMP, given the resources available to that AMP.

We found that for the period under audit, the authority did not fully implement these key elements of asset management. We also found that HUD has yet to finalize its penalties for failure to implement the asset management model. However, regardless of penalties, the model is a good business practice and will aid AMPs in planning for success (in terms of rent collections, condition of units, and tenant satisfaction). Historically, HUD's penalties include a reduction in an authority's status to *sub-standard* or *troubled* and decreased funding. As previously mentioned, decreased federal funding is not something the State is in a position to overcome; and any such decrease is likely to have a direct impact on tenant welfare.

While HUD's new rules for overall scoring of a public housing authority are still pending, authorities will continue to receive their physical assessment scores. The Hawai'i Public Housing Authority is currently designated a *standard* performer. However, if its physical assessment score falls below 60 percent, it will become *substandard physical*, and HUD may issue another Corrective Action Order (CAO) if deficiencies are not addressed. Failure to correct deficiencies within the required timeframe can prompt HUD to take action which includes, but is not limited to, the remedies available for substantial default under the 1937 Housing Act, the Annual Contributions Contract, and other HUD regulations. Under the Annual Contributions Contract, if a public housing authority substantially defaults on its physical assessment score or other key criteria, the authority may be required to convey title to or deliver possession and control of the project(s) to HUD.

The authority's accounting system does not adequately support asset management

The authority did not implement either project-based budgeting or project-based accounting for the period under audit. *Project-based budgeting* refers to the creation of budgets at the AMP level, while *project-based accounting* refers to the means by which that budget is tracked. With an adequate accounting system, the authority should be able to produce monthly operating statements for each AMP showing actual financial performance against original projections. We found that the authority only recently, beginning with December 2010 financial data, began providing operating budgets and monthly statements to its AMPs.

According to HUD's planning guide for asset management, the ability to monitor and track operating and fiscal performance of each property is a key to successful project-based management. The guide further states that significant authority cannot be delegated to a housing manager without a proper means of measuring that property's performance on a routine basis, particularly against stated goals. Therefore, a strong accounting system, with the ability to monitor and track individual

projects, is vital in implementing asset management. HUD expects individual AMP financial statements to track the progress and development of project-level funding subsidies.

The authority's executive director, fiscal officer, property management and maintenance services branch chief, AMP managers, and board chairperson all spoke to us of the necessity of having good financial data. For a number of reasons, including accounting system limitations and lack of qualified staff, financial report generation was, until recently, not a priority. Because of this, the ability to budget properly and report on transactions was inadequate. We note that the authority is currently in the process of fixing its budgeting and financial process; the executive director met with Emphasys representatives in March 2011 to discuss problems and solutions regarding system needs. The authority should continue this process and seek the Legislature's approval, as needed, to update and streamline its accounting system so that its AMP managers have access to timely and accurate financial data.

Budgeting is based on “guess-timates”

Asset management project managers reported that for FY2011 budget preparation, they were asked to provide budget projections to the authority, but were not given their prior year expenditures from which to begin their planning process. Managers from both state- and privately-managed AMPs reported being in similar situations with regards to budgeting. Of the six AMPs that we visited, four managers reported receiving their budgets for FY2011 within a week of our visit in February 2011—seven months into the fiscal year.

Asset management project managers also reported that they do not receive detailed ledgers to support their budgets, and that it is difficult for them to prepare budgets when they are not provided with their previous expenditure details. Managers were unsure of specific dollar amounts spent by the authority on their AMP's behalf, and because they have no access to their accounting details, managers are unsure whether charges for items such as central maintenance services are accurate.

The authority's fiscal officer confirmed that AMP managers currently do not have access to their own detailed general ledgers. Beginning with December 2010 data, the authority's fiscal officer provided each AMP with their respective profit and loss statements. However, the fiscal officer did not provide detailed ledgers or balance sheets. The fiscal officer explained that much of the difficulty in producing reports for the individual AMPs is because the accounting system is an old, DOS-based system. To generate a report from the authority's Emphasys accounting system, specific data must first be spooled in the system, which can take anywhere from 20 minutes to two hours. Once the data

is available, the fiscal officer imports the information into a more usable format, beginning with a text file then uploading into a Microsoft Excel file. Given the system's constraints, it is reasonable to conclude that to provide details on the activity for 16 AMPs on a monthly basis would be time and resource intensive.

The fiscal officer reported that he is currently developing a model for detailed project-level budgets. He plans to develop a model budget for AMPs, which includes HUD subsidies, salaries and wages, benefits and depreciation. He then plans to meet with each AMP manager individually to review the model budget and instructions for tailoring it to a specific AMP. Asset management project managers will then be responsible for adding in their remaining operating expenses, with descriptions, and return the budget to the authority for its review and consolidation. A consolidated budget (meaning all AMPs plus the central authority) is to be presented to the board of directors for approval in May 2011, in time to begin planning for FY2012.

Asset management project managers have not received regular financial operating statements

Asset management project managers and board members alike reported that until recently (beginning December 2010) they were not provided with financial statements. This is consistent with findings noted by KMH, LLP in its 2010 financial audit, which reported that despite using the Emphasys system as a general ledger, the authority lacked monthly financial statements. Asset management project managers reported that they could not plan adequately for their properties without a better sense of their financial position.

Also consistent with KMH's 2010 financial audit report, we found that the authority's accounting system has been hampered by vacancies in the Fiscal Management Office. Staff shortages significantly impacted the authority's ability to perform its core accounting functions. The Fiscal Management Office lacked a fiscal officer and a chief financial management advisor for much of the audit period of July 1, 2006 through June 30, 2010. This resulted in a system that failed to provide accountability and transparency to enable AMP managers to accurately develop budgets or account for their expenditures. This is most evident in the authority's inability to generate timely, accurate financial information.

The current fiscal officer began with the authority in November 2010. At that time, he began to develop a reporting format that gave AMPs profit and loss statements showing monthly and year-to-date actual versus

budget, as well as prior year's amounts, with percentage variances. He also provided reports that showed total annual budget versus year-to-date actual figures, to give AMPs an idea of their remaining balances for the year. These statements were intended to help managers gauge their operating expenditures and remain within budget. Moreover, when asset management is implemented, these financial statements will assist AMP managers to operate their projects as for-profit entities. In addition, these reports help the authority's administration and board see which AMPs are having financial difficulty so they can plan and take steps to contain losses.

The authority's conversion to the asset management model is seriously restricted without AMP-specific financial statements. Under asset management, the authority must develop and maintain a system of budgeting and accounting that allows for analysis of actual revenues and expenses associated with each property, on a project level. These reports must reasonably represent the financial performance of each project. Elements such as project-specific operating income—including federal operating funds, rental income, and excess income—and project specific expenses, such as administrative costs, utilities, maintenance, tenant services, and property management fees, must be identified to specific properties.

Given the constraints in the authority's financial accounting system described above, the authority is now working with its software vendor to find solutions. According to the executive director, the authority's goal is to have a more robust financial accounting system that provides the authority and individual AMPs with financial reporting tools such as access to AMP general ledgers, report writing, quicker running of reports, and ease of use.

The authority is making strides towards implementing asset management

We found that the transition to asset management has been hampered by multiple changes of leadership and vision for the authority. For example, from 2002 through 2010, the authority had eight different executive directors serving in either an appointed or acting capacity. Furthermore, as described in Chapter 1, in 2002 HPHA's predecessor agency, the Housing and Community Development Corporation of Hawai'i (HCDCH), was placed under a Corrective Action Order (CAO) by HUD as a result of procurement violations. The CAO has been somewhat mitigated since, but is still in effect today. In 2004, HCDCH was designated a *troubled* agency by HUD, which again resulted in increased HUD scrutiny. In 2006, HCDCH underwent a major reorganization, which resulted in the creation of the Hawai'i Public Housing Authority (HPHA) and the Hawai'i Housing Finance Development Corporation (HHFDC).

Until recently, the HPHA board was primarily focused on operational crises rather than long-term strategic planning. However, with the hiring of a new executive director in March 2010, we witnessed an improvement in the communication and education processes between the board members and the authority. The board has also improved and clarified its role and relationship to the authority. During our 2009 fieldwork, we found no board policies assigning appropriate responsibilities to the board or executive director. Board members also lacked in training, and in some cases conducted business in a manner inconsistent with sunshine laws. During our 2011 fieldwork, we found the board had begun documenting policies and procedures, attended board training, and revised its means to create task force committees consistent with sunshine laws. With this foundation of better communication and education between the current executive director and the board, the authority is now in a position to be able to implement asset management and begin planning for its future successes.

The authority's board and management understand the necessity of asset management

The current executive director sees asset management as a priority, and with board support, is developing plans to ensure compliance with the model. The current executive director began with the authority in March 2010. By September 2010, she had secured technical assistance funds from HUD and organized an agreement with a private consultant to review the authority's position with respect to asset management. The consultant's draft technical assistance report was provided to the authority in February 2011, and the executive director plans to present a timeline and implementation plan to the board by April 2011.

These actions are in stark contrast to the previous executive director, who was with the authority from May 2007 through February 2010. During that time, the authority hired a consultant to assist with accounting services and conduct a reorganization study to implement asset management. That draft report was provided to the previous executive director in May 2008. The report recommended, among other things, a reorganization of the authority's structure and a change in its overall service delivery model to better serve the interests of the AMPs. The report was presented briefly to the board in May 2008, at which point the board advised the previous executive director to work with relevant employee unions to determine the authority's responsibilities with respect to the reorganization.

However, no action followed. When we spoke to the previous executive director in August 2009, he told us that because he did not like the findings of the draft report, he did not finalize it and that as a

result, he was not obliged to implement its recommendations. Despite having spent \$40,000 on this study, and despite providing accounting assistance and asset management training sessions to the board and to AMP managers, the authority took no steps towards implementing asset management during the previous executive director's tenure.

In contrast, the current executive director has made a concerted effort to educate the board on the importance of asset management. Under the previous executive director, during our fieldwork in 2009, board members spoke to us not of the importance of asset management, but of various operational crises, which the authority routinely faced due to "major concerns about the managerial ability of the executive director." By February 2011, however, under the current executive director, the board chairperson described asset management to us as "critical" to the authority and a good business practice. The board chairperson also described the current executive director as "competent" and "professional" and added that the board will support the executive director as needed to help implement the asset management model.

The authority is developing an asset management implementation plan with a target completion date of June 2011

The authority is well aware that its conversion to an asset management model of operations is severely behind schedule. Approximately three months after beginning with the authority, the current executive director applied for HUD technical assistance grant moneys in order to have an outside consultant assess the authority's progress with asset management implementation. This effort was undertaken with the awareness that there is a difference between implementing asset management components and actually practicing asset management on a daily basis.

The final technical assistance plan provided to HUD by Econometrica, a Maryland-based private research and consulting firm, noted that the Hawai'i Public Housing Authority requested technical assistance in several areas to address its needs. Namely, the authority requested a project-by-project assessment of asset management processes and procedures to identify areas of additional opportunity to achieve a comprehensive project-based operation that is in the best interest of the projects. The authority also asked for a review of the current AMP structure to determine whether it is in the best interests of the projects.

Our 2011 fieldwork coincided with the final phases of Econometrica's study. Econometrica issued a draft report to the authority on February 15, 2011 with its assessment of the housing portfolio's organization and recommendations for changes needed for the authority to fully convert to asset management. Econometrica recommends, in part, creating additional asset management projects (AMPs), developing

standard protocols for all site offices (including for work order processing and a budget procedures manual), and raising the purchasing threshold at all asset management projects. Econometrica told HUD that HPHA should implement its recommendations by June 1, 2011, to coincide with the asset management implementation deadline set forth by HUD.

The executive director admits that this deadline is not realistic for the authority to fully implement asset management; nevertheless, she has begun the process of staff outreach to determine what is reasonable to implement, assign responsible parties, and develop a plan of action. Working from Econometrica's draft report, the executive director stated that for March 2011, the focus will be on staff outreach to determine priorities and specific action planning with a projected plan and timeline presentation to the board by its April 2011 meeting. While we cannot comment on the results of this planning effort, we do note that the current movement on implementing the asset management model represents a concerted effort on the authority's part to rectify its substantial lag in previously doing so.

Because the authority is in the plan development process, we recommend that it include a detailed work plan that assigns responsibility to appropriate people for the transition to asset management, with deliverables and a timeframe for completion. As appropriate, the authority should incorporate Econometrica's recommendations regarding the practical implementation of the asset management model, particularly those related to financial reporting and materials inventory storage, as they have the potential to improve current operations.

Conclusion

The Hawai'i Public Housing Authority is tasked with promoting adequate and affordable housing to one of Hawai'i's neediest populations. The authority's recent history—with multiple changes in executive directors, varying degrees of U.S. Department of Housing and Urban Development intervention, and a complete reorganization—had combined to shift management's attention away from the main goals of public housing management. However, with a new executive director, a supportive board of directors, and additional staff resources, the authority is now better situated to refocus its efforts on achieving its mission.

The authority has many challenges ahead. It must improve its monitoring of asset management project managers to ensure that tenants' needs are addressed and that the State's assets are protected for future users. The authority must also take action to implement the federally mandated asset management system model of operations as required by the U.S. Department of Housing and Urban Development. Any further

delays in implementation may put federal funds at risk; for an agency already suffering from backlogs of deferred maintenance and staffing constraints, such a loss would be devastating.

Recommendations

The Hawai‘i Public Housing Authority should:

1. Improve monitoring over asset management project managers by:
 - a. Holding AMP managers (both state employees and private contractors), contract administrators, and the branch chief who oversees them, accountable for their respective performance. Contract monitoring should be tied into actual results, with disincentives and/or penalties imposed for non-performance. Remedial plans and actions should be documented.
 - b. In instances where staffing constraints limit availability for recurring monitoring, the authority should consider employing a risk-based approach in its review process and document those results.
 - c. Developing a training program to promote standard interpretation of U.S. Department of Housing and Urban Development terminology. Specifically, in areas where HUD assesses AMP performance, a common understanding of specific terms should be communicated to AMP managers to ensure terms are applied appropriately and uniformly as they relate to specific criteria.
2. Improve operational consistency and organizational communication by:
 - a. Prioritizing repair and maintenance work orders and turning over vacant units to new tenants (balanced against achieving much-needed capital improvement works). Priorities should be communicated to stakeholders to promote the understanding of the authority’s plans to reduce its 9,000-plus wait list to serve its population by achieving maximum tenancy.
 - b. Developing a means to ensure tenant complaints are uniformly recorded, documented, and addressed; and communicate this clearly to all AMP managers.
 - c. Developing a method to share best practices among its public housing projects. Some best practices have been recognized

among housing managers both within Hawai'i and in other jurisdictions, and the authority should be able to leverage off their success.

3. Address asset management implementation by:
 - a. Seeking the Legislature's approval, as needed, to update and streamline its accounting system so that its AMP managers have access to timely and accurate financial data.
 - b. Developing a detailed work plan that assigns responsibility to appropriate people for the transition to asset management, with deliverables and a timeframe for completion.
 - c. Incorporating, as appropriate, the recommendations in Econometrica's technical assistance study regarding the practical implementation of the asset management model.
 - d. Disseminating information and/or training, as needed and on a continuing basis, regarding how to implement asset management in practical terms.
4. The Hawai'i Public Housing Authority's board should continue its efforts to:
 - a. Create policies and procedures specific to board operations and roles and responsibilities, including required training to orient new members as they are appointed to the board; and
 - b. Support management's efforts to implement asset management, creating policies as appropriate.

Response of the Affected Agency

Comments on Agency Response

We transmitted a draft of this report to the board chairperson and the executive director of the Hawai'i Public Housing Authority on May 17, 2011. A copy of the transmittal letter to the executive director is included as Attachment 1. The authority's response, received on May 27, 2011, is included in its entirety as Attachment 2.

The authority did not take issue with our findings. According to the executive director, our findings are compatible with her "to do" list. The executive director's response reported on her current action plans to address some of the report recommendations. These include a revitalization of the authority's AMP monitoring program, including development of and training on a comprehensive operations manual to ensure consistent enforcement of policies. The authority is also working on its conversion to asset management by improving its budgeting and accounting processes and utilizing the technical assistance plan provided by Econometrica, Inc.

STATE OF HAWAII
OFFICE OF THE AUDITOR

465 S. King Street, Room 500
Honolulu, Hawai'i 96813-2917



MARION M. HIGA
State Auditor

(808) 587-0800
FAX: (808) 587-0830

May 17, 2011

COPY

Ms. Denise Wise, Executive Director
Hawai'i Public Housing Authority
1002 North School Street
Honolulu, Hawai'i 96817

Dear Ms. Wise:

Enclosed for your information are three copies, numbered 6 to 8, of our confidential draft report, *Management Audit of the Hawai'i Public Housing Authority*. We ask that you telephone us by Thursday, May 19, 2011, on whether or not you intend to comment on our recommendations. If you wish your comments to be included in the report, please submit them no later than Friday, May 27, 2011.

The Chairperson of the Hawai'i Public Housing Authority Board of Directors, Governor, and presiding officers of the two houses of the Legislature have also been provided copies of this confidential draft report.

Since this report is not in final form and changes may be made to it, access to the report should be restricted to those assisting you in preparing your response. Public release of the report will be made solely by our office and only after the report is published in its final form.

Sincerely,

Marion M. Higa
State Auditor

Enclosures

NEIL ABERCROMBIE
GOVERNOR



DENISE M. WISE
EXECUTIVE DIRECTOR

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DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
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BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

IN REPLY PLEASE REFER TO:
11:OED-108

May 26, 2011

RECEIVED

2011 MAY 27 PM 1:11

OFC. OF THE AUDITOR
STATE OF HAWAII

Ms. Marion Higa
Office of the Auditor
Kekuanao'a Building
465 South King Street, Room 500
Honolulu, Hawaii 96813-2917

Dear Ms. Higa:

The Hawaii Public Housing Authority (HPHA) appreciates the opportunity to respond to the Management Audit for the period July 1, 2006 to June 30, 2010. The audit does an excellent job in identifying the major issues facing the Hawaii Public Housing Authority. In reviewing the audit report, HPHA does not take issue with the findings. As you are aware, the audit was initiated before my tenure as Executive Director; and in fact, your findings are very compatible with my 'to do' list prepared soon after my appointment.

Economic reality precluded the successful resolution of many of the issues the audit identified. I became the Executive Director approximately 14 months ago and since then, there have been significant changes in key managerial positions, such as the Chief Planner, Chief Compliance Officer, State Housing Development Administrator, Fiscal Officer, and Procurement Officer. As we have proceeded with team building, we have been faced with unexpected challenges including a hiring freeze, furloughs, a reduction in force and our federal operating subsidies were reduced by 12%. My focus has been on meeting the challenges of asset management; building financial reporting capability; filling vacant units and improving the overall management of the Authority, while implementing Board policy direction relative to a major mixed income development project at Kuhio Park Terrance and Kuhio Homes.

In the detailed response that follows, I am reporting action plans that are currently in place, and explaining, to some degree, the reasons why we have not completed these actions to date.

Ms. Marion Higa
May 26, 2011
Page 2

It is my belief that HPHA is taking positive steps in the right direction, and in fact, we would welcome a follow-up review by your staff following the completion of FY 2012.

As you know, when faced with the responsibility of housing low-income families, children, the elderly and the disabled, the issues and challenges are often more complex than they appear. We remain committed to building an efficient and effective system to deliver housing services as a high performing agency.

In closing, we'd like to express our appreciation for the professional courtesy extended to us by your staff.

Sincerely,



Denise M. Wise
Executive Director

Management Audit of the Hawaii Public Housing Authority
Audit Summary and HPHA Response

1. ***The Authority's ineffective oversight of State- and privately-managed housing projects impacts tenant welfare.***

"HPHA's monitoring of its AMP managers lacks robustness. Monitoring of AMP manager's performance need to be strengthened, and more consistent."

The HPHA acknowledges that monitoring should be performed as part of the authority's normal operations and should be governed by policies and procedures to ensure consistency and accountability. As correctly noted within the audit report, the Property Management and Maintenance Services Branch (PMMSB) suffered deleterious staffing decreases that were compounded by State mandated hiring freezes, RIFs, and furloughs such that vacated positions could not be filled or reassigned.

Recent staffing changes have occurred that allow the authority to revitalize its AMP monitoring program and ensure consistent enforcement of policies. PMMSB is currently working with the Office of the Executive Director and the Board of Directors to formulate and implement more robust policies and procedures, as well as developing mandatory training programs for AMP management and recently hired staff monitors to further monitoring strength.

"The authority's oversight of its AMP managers' performance is inconsistent and inadequate."

Several of the vacancies that occurred in PMMSB during the audit period were a direct result of non-performance, so the HPHA did in fact impose repercussions for delinquent monitoring reports. However, due to the State hiring freeze, the authority was unable to replace these staff positions and the Branch did not have adequate staff remaining to assist the Branch Chief with the unassigned duties.

PMMSB is aware of the monitoring deficiencies noted in the audit report and as a result AMP managers are undergoing training with the monitors to be made aware of performance appraisal expectations. Underperforming AMP management will work with monitors to develop Corrective Action Plans based on prudent property management practices.

"The authority does not consistently enforce private contract terms to protect the State's interest."

The authority works closely with the U.S. Department of Housing and Urban Development (HUD) and the State Office of the Attorney General with all contracts to

ensure compliance with procurement and contracting requirements. It was noted in the audit that the HPHA's contracts include provisions which protect the interest of the State.

All new additions to HPHA staff, including PMMSB, Planning & Evaluation Office, and Compliance Office, are required to undergo mandatory contract monitoring and administration training offered by the State Procurement Office. New PMMSB staff tasked with monitoring privately managed AMPs will be uniquely qualified to enforce necessary contract provisions and utilize the remedies provided therein to ensure safe, sanitary, decent housing is maintained by contractors. Failure to do so may result in lost management fees or contract termination.

“Failing property assessment scores indicate a failure to communicate and enforce standards.”

PMMSB is currently in the process of developing a comprehensive property operations manual which will provide a consistent, thorough review of HUD and authority expectations for physical assessment standards. This manual, in addition to current monitor training programs and monthly AMP manager meetings, will provide consistent communications and enforcement capability for PMMSB.

The audit noted that “particularly in the areas where HUD assesses AMP performance, a common understanding of specific terms should be communicated to AMP managers to ensure that terms are applied appropriately and uniformly to specific criteria.” After 2 years of delays, HUD finally issued its changes to the Public Housing Assessment System (PHAS) under interim rules on February 23, 2011. The new metrics of the PHAS will be incorporated into the monitoring reviews to ensure that the HPHA is tracking the appropriate data.

“State- and privately-managed AMPs have backlogs of repairs.”

The authority acknowledges that during the audit period, there were a number of apparent deficiencies regarding duration of open work orders. As noted in the audit report, all reviewed AMPs attended to non-emergency work orders in less than 25 days. In fact, from 2007 to 2010, the authority saw an improvement in work order turnaround time to 20 days.

Review of a sample size of AMP work order logs did reveal inconsistencies in closing out routine work orders, which resulted in skewed lengths of time. Emphasis is being placed on such administrative tasks, and review of open and closed work orders will be a part of the reinstated monitoring program. The monthly AMP manager meetings will provide PMMSB staff an opportunity to address work order administration and ensure more accurate reporting.

“Deferred maintenance slows vacant unit turnarounds.”

The HPHA acknowledges the accuracy of the audit report’s statement that slow vacant unit turnarounds has an impact on families waiting for public housing, rent revenues, and overall funding available to the authority. Emphasis is being placed on the reduction of vacant unit turnaround times, and the end of the State hiring freezes and furloughs should assist the agency in seeing improvement in this management indicator. The authority is in recruitment for several positions throughout the State to increase maintenance staff levels so that lease up can be maximized to the greatest extent.

“The authority lacks a consistent method for addressing tenant complaints.”

The authority acknowledges the value inherent in consistent tenant complaint methods. Written tenant complaints have been logged and tracked consistently throughout the audit period. However, PMMSB staff has been aware of this deficiency with respect to telephone complaints and has instituted a more robust tenant complaint log to track and evaluate telephoned complaints at the authority level. This authority level methodology will be communicated to AMPs at the monthly AMP managers meeting, and implementation will be monitored thereby.

2. ***The Authority has not yet implemented the Federally-mandated Asset Management System.***

“The authority’s accounting system does not adequately support asset management.”

As acknowledged in the audit report, the HPHA is currently in the process of fixing its budgeting and financial process. In January 2011, the HPHA began providing operating budgets and monthly statements to its AMPs.

“Budgeting is based on “guess-timates”.”

As acknowledged in the audit report, the HPHA is currently in the process of fixing its budgeting and financial process. During prior year budget processes, the AMPs were required to prepare their budgets under zero-based budgeting methods. Although financial reports were not issued by the fiscal office, AMP managers and Central Offices were required to maintain declining balance sheets to monitor and track expenses at the project level. Those balance sheets served as the historical basis for budget projections.

For the current budgeting cycle, AMPs and Central Offices were provided with expenditure reports for the current fiscal year. To that end, the budget for fiscal year 2011-2012 will be in compliance with the asset management requirement for project based budgets.

“Asset management project managers have not received regular financial operating statements.”

As stated in the audit, the authority’s fiscal system was hampered by vacancies in the fiscal office in key positions (i.e., Chief Financial Management Advisor and Fiscal Officer). The current fiscal officer began in November 2010 and at that time he began developing a reporting format that gave AMPs profit and loss statements showing monthly and year-to-date versus total annual budget, and variances.

Given the constraints in the authority’s financial accounting system, the authority is now working with its software vendor to find solutions. The authority’s goal is to have a more robust financial accounting system that provides the authority and AMPs with financial reporting tools such as access to AMP general ledgers, reporting writing, quicker running of reports, and ease of use.

“The authority is making strides towards implementing asset management.”

As stated in the audit, “the transition to asset management has been hampered by multiple changes of leadership and vision for the authority. For example, from 2002 – 2010, the authority had eight different executive directors. The HPHA’s predecessor agency was placed under a Corrective Action Order (CAO) by HUD. The CAO has been somewhat mitigated since, but is still in effect today.”

The audit report further notes the improvement in the communication and education processes between the board members and the authority. The new executive director and the executive assistant have worked with the board to improve and clarify its role and relationship to the authority through written, detailed policies. Emphasis has been placed on board trainings and board practice has been improved by policy revisions enabling the creation of task force committees consistent with sunshine laws.

“The authority’s board and management understand the necessity of asset management.”

As stated in the audit, the HPHA is well aware that its conversion to an asset management model of operations is behind schedule. In February 2011, HPHA received a technical assistance plan from Econometrica, a Maryland based private research and consulting firm. While this transition has been delayed by staffing inconsistencies and State hiring freezes, the audit report notes that progress has been made toward this management indicator. HPHA Directors and staff have highlighted to complete conversion to asset management as a top agency priority.

The authority is working with the draft Econometrica report and agency staff to assure that the transition is carefully and properly completed in the most expeditious manner.

June 16, 2011

FOR DISCUSSION

SUBJECT: Update and Status of Mixed Income Redevelopment at Kuhio Park Terrace and Banyan Street Manor.

I. FACTS

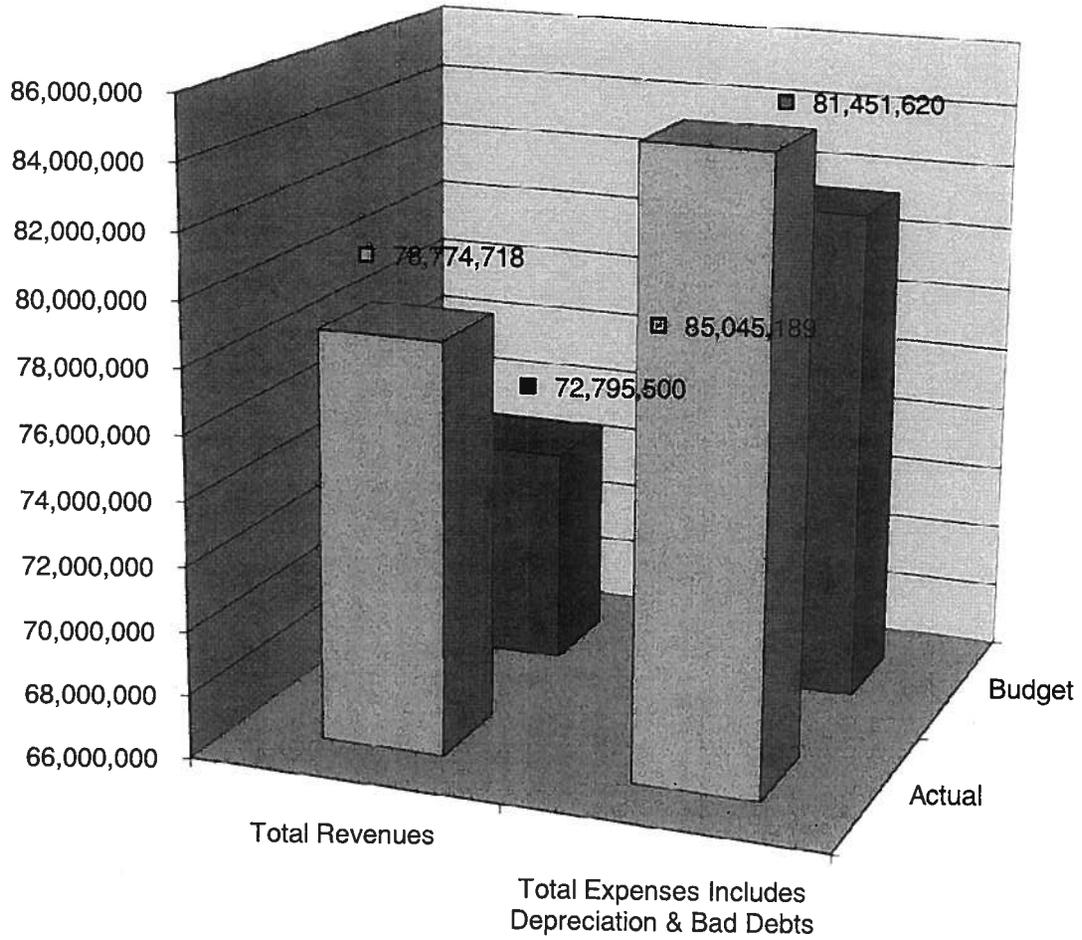
- A. In May 2009 the Board of Directors authorized the sale of the Banyan Street Manor apartments at 1122 Banyan Street, Honolulu, Hawaii. In January 2010, the HPHA entered into a Purchase Agreement with Banyan Housing Limited Partnership (LP) and issued escrow instructions for said sale.
- B. The sale was structured as a purchase of the improvements by Banyan Housing LP and the assumption of the ground lease issued by the City and County of Honolulu to the HPHA by Banyan Housing LP.
- C. On May 30, 2011 the sale of Banyan Street Manor closed and the HPHA received sale proceeds in the amount of \$6.6M.
- D. On August 20, 2009, the Hawaii Public Housing Authority (HPHA) Board of Directors approved the selection of the Michaels Development Company (Michaels) to undertake a mixed finance redevelopment project at the Kuhio Park Terrace and Kuhio Homes (KPT/KH).
- E. The first phase of the redevelopment included the high rise buildings at Kuhio Park Terrace and several smaller community buildings.
- F. On May 12, 2011, the sale of Kuhio Park Terrace closed and the HPHA received sale proceeds in the amount of \$3.1M.

II. DISCUSSION

- A. Sale proceeds were deposited into the HPHA's checking account.
- B. The staff intends to research various short- and long-term investment strategies and will present those for Board consideration next month. Staff welcomes comments from the Board regarding potential investment options.

Prepared by: Barbara E. Arashiro, Executive Assistant 

HPHA April 30, 2011 Actual VS Budget Accrual Basis



	Total Revenues	Total Expenses Includes Depreciation & Bad Debts
Actual	78,774,718	85,045,189
Budget	72,795,500	81,451,620

**HAWAII PUBLIC HOUSING AUTHORITY
AGENCY TOTAL
ACTUAL VS BUDGET COMPARISON
For The Ten Months Ending April 30, 2011
(Amounts in Full Dollars)**

MONTH OF APRIL, 2011				
Actual	Budget	Variance		
		Amount	%	
\$ 1,518,184	\$ 1,556,894	\$ (38,710)	(0.02)	
5,364,226	5,071,577	292,649	0.06	
463,093	-	463,093	-	
105,164	87,458	17,706	0.20	
-	209,850	(209,850)	(1.00)	
387,993	353,771	34,222	0.10	
7,838,659	7,279,550	559,109	0.08	
978,727	1,271,176	292,449	0.23	
-	4,080	4,080	1.00	
302,510	256,903	(45,607)	(0.18)	
54,720	51,636	(3,084)	(0.06)	
3,742,000	3,617,175	(124,825)	(0.03)	
405	38,520	38,115	0.99	
991,536	1,032,208	40,672	0.04	
1,167,578	1,263,879	96,301	0.08	
69,697	200,286	130,589	0.65	
60,545	90,004	29,459	0.33	
1,039,342	319,295	(720,047)	(2.26)	
8,407,060	8,145,162	(261,898)	(0.03)	
\$ (568,400)	\$ (865,612)	\$ 297,212	0.34	
\$ (568,400)	\$ (865,612)	\$ 297,212	0.34	
1,036,321	-	1,036,321	-	
(3,812)	241,280	(245,092)	(1.02)	
\$ 464,108	\$ (624,332)	\$ 1,088,440	1.74	

** No Depreciation is reflected in the 2011 budget.

YEAR TO DATE ENDING APRIL 30, 2011									
Actual	Budget	Variance			Prior Year	Variance			
		Amount	%			Amount	%		
REVENUES									
\$ 15,540,832	\$ 15,568,940	\$ (28,108)	-	\$ 15,385,957	\$ 154,875	0.01			
54,305,776	50,715,770	3,590,006	0.07	57,872,284	(3,566,508)	(0.06)			
4,023,885	-	4,023,885	-	2,976,762	1,047,124	0.35			
836,149	874,580	(38,431)	(0.04)	911,878	(75,730)	(0.08)			
-	2,098,500	(2,098,500)	(1.00)	-	-	-			
4,068,076	3,537,710	530,366	0.15	4,112,332	(44,256)	(0.01)			
78,774,718	72,795,500	5,979,218	0.08	81,259,213	(2,484,495)	(0.03)			
EXPENSES									
8,200,084	12,711,760	4,511,676	0.35	9,216,459	1,016,375	0.11			
-	40,800	40,800	1.00	-	-	-			
3,030,549	2,569,030	(461,519)	(0.18)	2,877,104	(153,446)	(0.05)			
555,282	516,360	(38,922)	(0.08)	568,182	12,900	0.02			
37,174,725	36,171,750	(1,002,975)	(0.03)	36,714,264	(460,460)	(0.01)			
678,392	385,200	(293,192)	(0.76)	1,073,435	395,042	0.37			
11,294,120	10,322,080	(972,040)	(0.09)	10,055,850	(1,238,270)	(0.12)			
11,557,935	12,638,790	1,080,855	0.09	12,936,920	1,378,985	0.11			
612,511	2,002,860	1,390,349	0.69	990,765	378,254	0.38			
790,856	900,040	109,184	0.12	884,364	93,508	0.11			
11,150,735	3,192,950	(7,957,785)	(2.49)	10,069,468	(1,081,267)	(0.11)			
85,045,189	81,451,620	(3,593,569)	(0.04)	85,386,810	341,622	-			
\$ (6,270,471)	\$ (8,656,120)	\$ 2,385,649	0.28	\$ (4,127,597)	\$ (2,142,873)	(0.52)			
Net Income(Loss)									
CASH BASIS:									
Net Income(loss) per Above									
Add back non cash items:									
**Depreciation Expense	10,438,707	-	10,438,707	-	9,694,711	743,997	0.08		
Bad Debt Expense	12,914	2,412,800	(2,399,886)	(0.99)	(702)	13,616	19.39		
\$ 4,181,151	\$ (6,243,320)	\$ 10,424,471	1.67	\$ 5,566,411	\$ (1,385,260)	(0.25)			

032-2

**HAWAII PUBLIC HOUSING AUTHORITY
FEDERAL LOW RENT PROGRAM BY AMPS
ACTUAL VS BUDGET COMPARISON
For The Ten Months Ending April 30, 2011
(Amounts in Full Dollars)**

MONTH OF APRIL, 2011

Actual	Budget	Variance	
		Amount	%
\$ 226,376	\$ 265,593	\$ (39,217)	(0.15)
205,551	198,107	7,444	0.04
249,694	253,593	(3,899)	(0.02)
193,952	206,067	(12,115)	(0.06)
295,376	310,571	(15,195)	(0.05)
313,181	327,143	(13,962)	(0.04)
145,447	121,880	23,567	0.19
187,028	197,614	(10,586)	(0.05)
93,048	87,241	5,807	0.07
489,558	567,646	(78,088)	(0.14)
101,829	103,349	(1,520)	(0.01)
139,670	131,977	7,693	0.06
113,820	115,015	(1,195)	(0.01)
46,591	44,028	2,563	0.06
76,170	83,268	(7,098)	(0.09)
74,838	75,734	(896)	(0.01)
\$ 2,952,129	\$ 3,088,826	\$ (136,697)	(0.04)

\$ (63,255)	\$ (35,113)	\$ (28,142)	(0.80)
(130,601)	(15,624)	(114,977)	(7.36)
5,649	38,379	(32,730)	(0.85)
(51,299)	(2,911)	(48,388)	(16.62)
75,708	50,901	24,807	0.49
(5,841)	3,317	(9,158)	(2.76)
(82,298)	(31,217)	(51,081)	(1.64)
21,386	25,784	(4,398)	(0.17)
34,162	(78,825)	112,987	1.43
(150,555)	(13,027)	(137,528)	(10.56)
(28,258)	(7,963)	(20,295)	(2.55)
(66,040)	(311)	(65,729)	(211.35)
(42,578)	(5,623)	(36,955)	(6.57)
(18,971)	(22,603)	3,632	0.16
(11,087)	8,759	(19,846)	(2.27)
23,573	12,615	10,958	0.87
\$ (490,305)	\$ (73,462)	\$ (416,843)	(5.67)

ACCRUAL BASIS

Asset Management Project - 30
Asset Management Project - 31
Asset Management Project - 32
Asset Management Project - 33
Asset Management Project - 34
Asset Management Project - 35
Asset Management Project - 37
Asset Management Project - 38
Asset Management Project - 39
Asset Management Project - 40
Asset Management Project - 43
Asset Management Project - 44
Asset Management Project - 45
Asset Management Project - 46
Asset Management Project - 49
Asset Management Project - 50
Total Revenues

NET INCOME(LOSS)

Asset Management Project - 30
Asset Management Project - 31
Asset Management Project - 32
Asset Management Project - 33
Asset Management Project - 34
Asset Management Project - 35
Asset Management Project - 37
Asset Management Project - 38
Asset Management Project - 39
Asset Management Project - 40
Asset Management Project - 43
Asset Management Project - 44
Asset Management Project - 45
Asset Management Project - 46
Asset Management Project - 49
Asset Management Project - 50
Total Net Income(Loss)

YEAR TO DATE ENDING APRIL 30, 2011

Actual	Budget	Variance		Prior Year	Variance	
		Amount	%		Amount	%
\$ 2,337,806	\$ 2,655,930	\$ (318,124)	(0.12)	\$ 3,196,040	\$ (858,234)	(0.27)
2,119,957	1,981,070	138,887	0.07	2,476,766	(356,809)	(0.14)
2,576,509	2,535,930	40,579	0.02	2,620,354	(43,845)	(0.02)
1,999,231	2,060,670	(61,439)	(0.03)	2,189,095	(189,864)	(0.09)
3,062,264	3,105,710	(43,446)	(0.01)	3,319,748	(257,484)	(0.08)
3,168,937	3,271,430	(102,493)	(0.03)	3,681,689	(512,752)	(0.14)
1,498,299	1,218,800	279,499	0.23	2,069,010	(570,711)	(0.28)
2,066,151	1,976,140	90,011	0.05	1,938,117	128,034	0.07
874,585	872,410	2,175	-	1,336,725	(462,140)	(0.35)
5,323,511	5,676,460	(352,949)	(0.06)	6,065,461	(741,950)	(0.12)
1,092,993	1,033,490	59,503	0.06	1,221,089	(128,096)	(0.10)
1,722,941	1,319,770	403,171	0.31	1,365,088	357,853	0.26
1,029,261	1,150,150	(120,889)	(0.11)	1,505,223	(475,962)	(0.32)
497,322	440,280	57,042	0.13	550,500	(53,178)	(0.10)
813,711	832,680	(18,969)	(0.02)	980,943	(167,232)	(0.17)
797,790	757,340	40,450	0.05	783,996	13,794	0.02
\$ 30,981,268	\$ 30,888,260	\$ 93,008	-	\$ 35,299,844	\$ (4,318,576)	(0.12)

\$ (940,216)	\$ (351,130)	\$ (589,086)	(1.68)	\$ (203,805)	\$ (736,411)	(3.61)
(1,049,258)	(156,240)	(893,018)	(5.72)	(567,176)	(482,082)	(0.85)
635,416	383,790	251,626	0.66	551,538	83,878	0.15
(128,558)	(29,110)	(99,448)	(3.42)	(61,343)	(67,215)	(1.10)
353,057	509,010	(155,953)	(0.31)	414,852	(61,795)	(0.15)
21,408	33,170	(11,762)	(0.35)	561,146	(539,738)	(0.96)
(1,103,412)	(312,170)	(791,242)	(2.53)	(519,912)	(583,500)	(1.12)
468,421	257,840	210,581	0.82	456,101	12,320	0.03
(271,554)	(788,250)	516,696	0.66	61,758	(333,312)	(5.40)
(1,170,463)	(130,270)	(1,040,193)	(7.98)	543,559	(1,714,022)	(3.15)
(515,984)	(79,630)	(436,354)	(5.48)	(131,343)	(384,641)	(2.93)
(269,747)	(3,110)	(266,637)	(85.74)	(711,252)	441,505	0.62
(545,608)	(56,230)	(489,378)	(8.70)	(194,034)	(351,574)	(1.81)
(288,459)	(226,030)	(62,429)	(0.28)	(197,315)	(91,144)	(0.46)
(157,246)	87,590	(244,836)	(2.80)	(164,122)	6,876	0.04
282,079	126,150	155,929	1.24	203,209	78,870	0.39
\$ (4,680,124)	\$ (734,620)	\$ (3,945,504)	(5.37)	\$ 41,861	\$ (4,721,985)	(112.80)

**HAWAII PUBLIC HOUSING AUTHORITY
FEDERAL LOW RENT PROGRAM BY AMPS
ACTUAL VS BUDGET COMPARISON
For The Ten Months Ending April 30, 2011
(Amounts in Full Dollars)**

MONTH OF APRIL, 2011				CASH BASIS				YEAR TO DATE ENDING APRIL 30, 2011				
Actual	Budget	Variance		Actual	Budget	Variance		Prior Year	Variance			
		Amount	%			Amount	%		Amount	%		
REVENUES												
\$ 226,376	\$ 265,593	\$ (39,217)	(0.15)	\$ 2,337,806	\$ 2,655,930	\$ (318,124)	(0.12)	\$ 3,196,040	\$ (858,234)	(0.27)		
205,551	198,107	7,444	0.04	2,119,957	1,981,070	138,887	0.07	2,476,766	(356,809)	(0.14)		
249,694	253,593	(3,899)	(0.02)	2,576,509	2,535,930	40,579	0.02	2,620,354	(43,845)	(0.02)		
193,952	206,067	(12,115)	(0.06)	1,999,231	2,060,670	(61,439)	(0.03)	2,189,095	(189,864)	(0.09)		
295,376	310,571	(15,195)	(0.05)	3,062,264	3,105,710	(43,446)	(0.01)	3,319,748	(257,484)	(0.08)		
313,181	327,143	(13,962)	(0.04)	3,168,937	3,271,430	(102,493)	(0.03)	3,681,689	(512,752)	(0.14)		
145,447	121,880	23,567	0.19	1,498,299	1,218,800	279,499	0.23	2,069,010	(570,711)	(0.28)		
187,028	197,614	(10,586)	(0.05)	2,066,151	1,976,140	90,011	0.05	1,938,117	128,034	0.07		
93,048	87,241	5,807	0.07	874,585	872,410	2,175	-	1,336,725	(462,140)	(0.35)		
489,558	567,646	(78,088)	(0.14)	5,323,511	5,676,460	(352,949)	(0.06)	6,065,461	(741,950)	(0.12)		
101,829	103,349	(1,520)	(0.01)	1,092,993	1,033,490	59,503	0.06	1,221,089	(128,096)	(0.10)		
139,670	131,977	7,693	0.06	1,722,941	1,319,770	403,171	0.31	1,365,088	357,853	0.26		
113,820	115,015	(1,195)	(0.01)	1,029,261	1,150,150	(120,889)	(0.11)	1,505,223	(475,962)	(0.32)		
46,591	44,028	2,563	0.06	497,322	440,280	57,042	0.13	550,500	(53,178)	(0.10)		
76,170	83,268	(7,098)	(0.09)	813,711	832,680	(18,969)	(0.02)	980,943	(167,232)	(0.17)		
74,838	75,734	(896)	(0.01)	797,790	757,340	40,450	0.05	783,996	13,794	0.02		
\$ 2,952,129	\$ 3,088,826	\$ (136,697)	(0.04)	\$ 30,981,268	\$ 30,888,260	\$ 93,008	-	\$ 35,299,844	\$ (4,318,576)	(0.12)		
				Total Revenues								
NET INCOME(LOSS)												
\$ 37,568	\$ (20,185)	\$ 57,753	2.86	\$ 69,425	\$ (201,850)	\$ 271,275	1.34	\$ 821,032	\$ (751,607)	(0.92)		
37,643	5,363	32,280	6.02	633,423	53,630	579,793	10.81	712,247	(78,824)	(0.11)		
23,243	46,603	(23,360)	(0.50)	839,831	466,030	373,801	0.80	830,744	9,087	0.01		
975	3,129	(2,154)	(0.69)	395,639	31,290	364,349	11.64	462,432	(66,793)	(0.14)		
109,990	51,501	58,489	1.14	696,656	515,010	181,646	0.35	795,552	(98,896)	(0.12)		
53,501	13,338	40,163	3.01	639,254	133,380	505,874	3.79	1,059,897	(420,643)	(0.40)		
46,736	(20,786)	67,522	3.25	204,542	(207,860)	412,402	1.98	711,460	(506,918)	(0.71)		
45,884	40,694	5,190	0.13	716,951	406,940	310,011	0.76	711,784	5,167	0.01		
48,853	(36,636)	85,489	2.33	(124,238)	(366,360)	242,122	0.66	222,497	(346,735)	(1.56)		
(142,841)	17,599	(160,440)	(9.12)	(1,091,826)	175,990	(1,267,816)	(7.20)	551,491	(1,643,317)	(2.98)		
22,353	473	21,880	46.26	(12,521)	4,730	(17,251)	(3.65)	194,705	(207,226)	(1.06)		
20,987	30,714	(9,727)	(0.32)	602,315	307,140	295,175	0.96	179,741	422,574	2.35		
21,802	17,246	4,556	0.26	98,439	172,460	(74,021)	(0.43)	487,262	(388,823)	(0.80)		
10,332	(9,744)	20,076	2.06	4,971	(97,440)	102,411	1.05	42,670	(37,699)	(0.88)		
29,519	12,197	17,322	1.42	248,980	121,970	127,010	1.04	261,888	(12,908)	(0.05)		
24,730	16,312	8,418	0.52	293,918	163,120	130,798	0.80	215,387	78,531	0.36		
\$ 391,275	\$ 167,818	\$ 223,457	1.33	\$ 4,215,759	\$ 1,678,180	\$ 2,537,579	1.51	\$ 8,260,789	\$ (4,045,030)	(0.49)		
				Total Net Income(Loss)								

**FEDERAL LOW RENT PROGRAM
ACTUAL VS BUDGET COMPARISON
For The Ten Months Ending April 30, 2011
(Amounts in Full Dollars)**

<u>MONTH OF APRIL, 2011</u>			
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	
		<u>Amount</u>	<u>%</u>
\$ 1,268,804	\$ 1,336,342	\$ (67,538)	(0.05)
1,599,514	1,498,237	101,277	0.07
-	-	-	-
-	-	-	-
83,811	254,247	(170,436)	(0.67)
2,952,129	3,088,826	(136,697)	(0.04)
366,378	399,208	32,830	0.08
-	4,080	4,080	1.00
234,587	197,293	(37,294)	(0.19)
35,933	32,701	(3,232)	(0.10)
-	-	-	-
360	10,520	10,160	0.97
851,736	888,094	36,358	0.04
1,001,197	1,051,174	49,977	0.05
69,697	197,562	127,865	0.65
45,530	70,439	24,909	0.35
837,018	311,217	(525,801)	(1.69)
3,442,435	3,162,288	(280,147)	(0.09)
\$ (490,306)	\$ (73,462)	\$ (416,844)	(5.67)
\$ (490,306)	\$ (73,462)	\$ (416,844)	(5.67)
881,581		881,581	-
-	241,280	(241,280)	(1.00)
\$ 391,275	\$ 167,818	\$ 223,457	1.33

REVENUES

Total Revenues

EXPENSES

Dwelling Rental Income	HUD Operating Subsidies	COCC Fee Income	General Fund	Grant Income	Other Income
Total Revenues					
Administrative	Asset Management Fees	Management Fees	Bookkeeping Fees	Housing Assistance Payments	Tenant Services
Utilities	Maintenance	Protective Services	Insurance	General Expenses	Total Expenses

Net Income(Loss)

Net Income(loss) per Above

Add back non cash items:	Depreciation Expense	Bad Debt Expense
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TOTAL CASH BASIS

<u>YEAR TO DATE ENDING APRIL 30, 2011</u>									
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Prior Year</u>	<u>Variance</u>				
		<u>Amount</u>	<u>%</u>		<u>Amount</u>	<u>%</u>			
\$ 13,077,022	13,363,420	\$ (286,398)	(0.02)	\$ 12,964,083	\$ 112,939	0.01			
17,157,175	14,982,370	2,174,805	0.15	21,691,236	(4,534,061)	(0.21)			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
747,072	2,542,470	(1,795,398)	(0.71)	644,526	102,546	0.16			
30,981,268	30,888,260	93,008	-	35,299,844	(4,318,576)	(0.12)			
3,210,052	3,992,080	782,028	0.20	3,455,939	245,887	0.07			
-	40,800	40,800	1.00	-	-	-			
2,374,679	1,972,930	(401,749)	(0.20)	2,269,756	(104,923)	(0.05)			
368,252	327,010	(41,242)	(0.13)	380,230	11,978	0.03			
-	-	-	-	-	-	-			
13,016	105,200	92,184	0.88	92,929	79,912	0.86			
9,725,623	8,880,940	(844,683)	(0.10)	8,611,097	(1,114,526)	(0.13)			
9,463,491	10,511,740	1,048,249	0.10	10,491,501	1,028,009	0.10			
607,086	1,975,620	1,368,534	0.69	982,239	375,153	0.38			
616,533	704,390	87,857	0.12	639,109	22,576	0.04			
9,282,655	3,112,170	(6,170,485)	(1.98)	8,335,183	(947,472)	(0.11)			
35,661,389	31,622,880	(4,038,509)	(0.13)	35,257,983	(403,406)	(0.01)			
\$ (4,680,121)	\$ (734,620)	\$ (3,945,501)	(5.37)	\$ 41,861	\$ (4,721,982)	(112.80)			
\$ (4,680,121)	\$ (734,620)	\$ (3,945,501)	(5.37)	\$ 41,861	\$ (4,721,982)	(112.80)			
8,879,114	-	8,879,114	-	8,219,927	659,187	0.08			
16,766	2,412,800	(2,396,034)	(0.99)	(999)	17,765	17.78			
\$ 4,215,759	\$ 1,678,180	\$ 2,537,579	1.51	\$ 8,260,789	\$ (4,045,030)	(0.49)			

**STATE LOW RENT
ACTUAL VS BUDGET COMPARISON
For The Ten Months Ending April 30, 2011
(Amounts in Full Dollars)**

MONTH OF APRIL, 2011					YEAR TO DATE ENDING APRIL 30, 2011						
Actual	Budget	Variance		REVENUES	Actual	Budget	Variance		Prior Year	Variance	
		Amount	%				Amount	%		Amount	%
\$ 83,879	\$ 70,888	\$ 12,991	0.18	Dwelling Rental Income	\$ 813,844	\$ 708,880	\$ 104,964	0.15	\$ 777,290	\$ 36,554	0.05
-	-	-	-	HUD Operating Subsidies	-	-	-	-	-	-	-
-	-	-	-	Management Fees	-	-	-	-	-	-	-
-	-	-	-	Bookkeeping Fees	-	-	-	-	-	-	-
-	-	-	-	Asset Management Fees	-	-	-	-	-	-	-
-	-	-	-	Capital Fund Admin Fee	-	-	-	-	-	-	-
-	-	-	-	CMSS Front Line Service Fee	-	-	-	-	-	-	-
-	-	-	-	ARRA Funds Admin Fee	-	-	-	-	-	-	-
-	-	-	-	COCC Fee Income	-	-	-	-	-	-	-
-	-	-	-	General Fund	-	-	-	-	-	-	-
-	-	-	-	Grant Income	-	-	-	-	-	-	-
3,313	-	3,313	-	Other Income	86,425	-	86,425	-	53,067	33,358	0.63
87,193	70,888	16,305	0.23	Total Revenues	900,269	708,880	191,389	0.27	830,358	69,912	0.08
				EXPENSES							
25,018	31,568	6,550	0.21	Administrative	219,328	315,680	96,352	0.31	208,635	(10,693)	(0.05)
-	-	-	-	Asset Management Fees	-	-	-	-	-	-	-
14,677	10,788	(3,889)	(0.36)	Management Fees	140,424	107,880	(32,544)	(0.30)	113,536	(26,888)	(0.24)
1,898	1,581	(317)	(0.20)	Bookkeeping Fees	18,045	15,810	(2,235)	(0.14)	15,870	(2,175)	(0.14)
-	-	-	-	Housing Assistance Payments	-	-	-	-	-	-	-
-	-	-	-	Tenant Services	-	-	-	-	-	-	-
48,423	52,345	3,922	0.07	Utilities	576,050	523,450	(52,600)	(0.10)	554,818	(21,233)	(0.04)
40,082	49,696	9,614	0.19	Maintenance	471,031	496,960	25,929	0.05	449,102	(21,929)	(0.05)
-	-	-	-	Protective Services	-	-	-	-	-	-	-
2,525	2,884	359	0.12	Insurance	25,249	28,840	3,591	0.12	31,820	6,571	0.21
35,740	195	(35,545)	(182.28)	General Expenses	396,314	1,950	(394,364)	(202.24)	322,553	(73,761)	(0.23)
168,362	149,057	(19,305)	(0.13)	Total Expenses	1,846,440	1,490,570	(355,870)	(0.24)	1,696,333	(150,107)	(0.09)
\$ (81,169)	\$ (78,169)	\$ (3,000)	(0.04)	Net Income(Loss)	\$ (946,171)	\$ (781,690)	\$ (164,481)	(0.21)	\$ (865,976)	\$ (80,195)	(0.09)
\$ (81,169)	\$ (78,169)	\$ (3,000)	(0.04)	Net Income(loss) per Above	\$ (946,171)	\$ (781,690)	\$ (164,481)	(0.21)	\$ (865,976)	\$ (80,195)	(0.09)
				Add back non cash items:							
39,568	-	39,568	-	Depreciation Expense	395,974	-	395,974	-	321,698	74,276	0.23
(3,828)	-	(3,828)	-	Bad Debt Expense	(3,902)	-	(3,902)	-	(855)	(3,047)	(3.56)
\$ (45,429)	\$ (78,169)	\$ 32,740	0.42	TOTAL CASH BASIS	\$ (554,099)	\$ (781,690)	\$ 227,591	0.29	\$ (545,133)	\$ (8,966)	(0.02)

0326

**STATE ELDERLY PROGRAM
ACTUAL VS BUDGET COMPARISON
For The Ten Months Ending April 30, 2011
(Amounts in Full Dollars)**

<u>MONTH OF APRIL, 2011</u>			
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	
		<u>Amount</u>	<u>%</u>
\$ 165,500	\$ 149,664	\$ 15,836	0.11
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
8,225	4,647	3,578	0.77
173,725	154,311	19,414	0.13
2,527	71,826	69,299	0.96
-	-	-	-
33,066	26,651	(6,415)	(0.24)
4,275	3,496	(779)	(0.22)
-	-	-	-
-	-	-	-
90,650	83,780	(6,870)	(0.08)
1,242	42,584	41,342	0.97
-	2,180	2,180	1.00
10,232	9,396	(836)	(0.09)
115,187	1,531	(113,656)	(74.24)
257,180	241,444	(15,736)	(0.07)
\$ (83,454)	\$ (87,133)	\$ 3,679	0.04
\$ (83,454)	\$ (87,133)	\$ 3,679	0.04
115,176	-	115,176	-
15	-	15	-
\$ 31,737	\$ (87,133)	\$ 118,870	1.36

REVENUES
 Dwelling Rental Income
 HUD Operating Subsidies
 Management Fees
 Bookkeeping Fees
 Asset Management Fees
 Capital Fund Admin Fee
 CMSS Front Line Service Fee
 ARRA Funds Admin Fee
 COCC Fee Income
 General Fund
 Grant Income
 Other Income

EXPENSES
 Administrative
 Asset Management Fees
 Management Fees
 Bookkeeping Fees
 Housing Assistance Payments
 Tenant Services
 Utilities
 Maintenance
 Protective Services
 Insurance
 General Expenses
 Total Expenses

Net Income(Loss)

 Net Income(loss) per Above
 Add back non cash items:
 Depreciation Expense
 Bad Debt Expense

TOTAL CASH BASIS

<u>YEAR TO DATE ENDING APRIL 30, 2011</u>									
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Prior Year</u>	<u>Variance</u>				
		<u>Amount</u>	<u>%</u>		<u>Amount</u>	<u>%</u>			
\$ 1,649,966	\$ 1,496,640	\$ 153,326	0.10	\$ 1,644,585	\$ 5,381	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
149,414	46,470	102,944	2.22	56,064	93,351	1.67			
1,799,380	1,543,110	256,270	0.17	1,700,648	98,732	0.06			
118,112	718,260	600,148	0.84	102,349	(15,763)	(0.15)			
-	-	-	-	-	-	-			
309,019	266,510	(42,509)	(0.16)	273,132	(35,887)	(0.13)			
39,953	34,960	(4,993)	(0.14)	34,140	(5,813)	(0.17)			
-	-	-	-	-	-	-			
-	-	-	-	-	-	-			
896,682	837,800	(58,882)	(0.07)	810,320	(86,361)	(0.11)			
571,276	425,840	(145,436)	(0.34)	745,615	174,339	0.23			
-	21,800	21,800	1.00	129	129	1.00			
104,527	93,960	(10,567)	(0.11)	105,493	965	0.01			
1,154,162	15,310	(1,138,852)	(74.39)	1,150,475	(3,687)	-			
3,193,731	2,414,440	(779,291)	(0.32)	3,221,653	27,922	0.01			
\$ (1,394,351)	\$ (871,330)	\$ (523,021)	(0.60)	\$ (1,521,005)	\$ 126,655	0.08			
\$ (1,394,351)	\$ (871,330)	\$ (523,021)	(0.60)	\$ (1,521,005)	\$ 126,655	0.08			
1,154,112	-	1,154,112	-	1,151,033	3,079	-			
50	-	50	-	(558)	608	1.09			
\$ (240,189)	\$ (871,330)	\$ 631,141	0.72	\$ (370,530)	\$ 130,342	0.35			

032-7

Operating Budget - CONSOLIDATED

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number		
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
	Hawaii Public Housing Authority	
	Total FY 2012	
FDS Line #	Account Title	Budget
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	15,995,106
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	16,836,515
706000	HUD PHA Operating Grant-CFP	22,202,820
704000	Other Tenant Charges	225,028
704000	Excess Utilities	9,696
711000	Investment Income	250,612
714000	Fraud Recovery	19,344
715000	Other Income	9,200,388
700000	Total Operating Income	64,739,509
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	6,900,679
915000	Employee Benefits - Administrative	2,898,286
912000	Auditing Fees	206,872
913000	Management Fees	3,245,506
913100	Bookkeeping Fees	575,976
914000	Advertising and Marketing	35,588
916000	Office Expenses	714,847
917000	Legal Expense	111,428
918000	Travel	207,443
919000	Other Administrative Costs	959,904
910000	Total Administrative	15,856,528
920000	Asset Management Fees	757,885
Tenant Services		
921000	Tenant Services - Salaries	23,280
923000	Employee Benefits - Tenant Services	474
922000	Relocation Costs	17,702
924000	Tenant Services-Other	126,643
925000	Total Tenant Services	168,099
Utilities		
931000	Water	2,078,651
932000	Electricity	3,173,102
933000	Gas	1,084,152
934000	Fuel	460,146
936000	Sewer	3,596,484
938000	Other	1,800
930000	Total Utilities	10,394,335
Maintenance		
941000	Labor	4,998,323
945000	Employee Benefits - Maintenance	2,099,296
942000	Maintenance Materials	1,126,979
943002	Garbage and Trash Removal Contracts	988,581
943021-2	Heating & Cooling Contracts	74,291
943014	Elevator Maintenance	152,734
943026	Landscape & Grounds Contracts	61,142
943029	Unit Turnaround Contract	58,496
943018	Electrical Contracts	109,037
943017	Plumbing Contracts	135,272
943008	Extermination Contracts	98,651
943010	Janitorial Contracts	18,472
943025	Routine Maintenance Contracts	170,311
943000	Other Misc. Contract Costs	2,560,662
940000	Total Maintenance	12,652,247
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	1,203,637
953000	Protective Service Other	9,156
950000	Total Protective Services	1,212,793
Insurance		
961100	Property	515,777
961200	General Liability	34,991
961300	Worker's Comp.	235,045
961400	Other Insurance	16,066
961000	Total Insurance Expense	801,878
General Expenses		
962000	Other General Expense	19,670,032
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	42,192
964000	Bad Debt-Tenants	164,028
968000	Severance Expense	24,000
960000	Total General Expenses	19,900,252
969000	Total Operating Expenditures	61,744,017
970000	Net Income/(Loss)	2,995,492

Hawaii Public Housing Authority
 2012 Budget Submission - by AMPS
 Total Year

	<u>007 HCVP</u>	<u>State Rent Supplement</u>	<u>State Low Rent</u>	<u>024</u>	<u>318</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>33</u>	<u>34</u>	<u>35</u>	<u>37</u>	<u>38</u>	<u>39</u>	<u>40</u>	<u>43</u>	<u>44</u>	<u>45</u>	<u>46</u>	<u>49</u>	<u>50</u>	<u>SUBTOTAL</u>	<u>COCC</u>	<u>TOTAL AGENCY</u>
Revenues	22,230,408	1,349,364	1,153,104	3,103,481	2,953,816	3,110,454	2,348,754	3,663,336	3,717,304	1,793,637	1,993,099	1,200,603	1,392,363	1,397,844	1,958,171	1,249,235	639,142	972,082	922,716	57,148,913	7,590,596	64,739,509		
Adjustment:	1,200,790	486,267	(987,240)	(1,357,006)	(1,668,234)	333,885	(513,786)	(383,544)	(571,007)	(1,542,477)	266,882	(167,771)	46,903	(588,548)	(571,915)	(697,951)	(80,927)	13,697	56,089	(6,725,893)	(1,194,283)	(7,920,176)		
Depreciation			3,312	1,231,656	2,018,940	375,264	627,288	411,384	759,084	1,548,408	292,776	174,192	23,184	630,336	821,916	781,512					9,699,252	1,216,416	10,915,668	
Net Income Before Depreciation	<u>1,200,790</u>	<u>486,267</u>	<u>(983,928)</u>	<u>(125,350)</u>	<u>350,706</u>	<u>709,149</u>	<u>113,502</u>	<u>27,840</u>	<u>188,077</u>	<u>5,931</u>	<u>559,658</u>	<u>6,421</u>	<u>70,087</u>	<u>41,788</u>	<u>250,001</u>	<u>83,561</u>	<u>(80,927)</u>	<u>13,697</u>	<u>56,089</u>	<u>2,973,359</u>	<u>22,133</u>	<u>2,995,492</u>		

014-2

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 30	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 30 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	3,103,481
Operating Expenditures:		
910000	Total Administrative	565,551
920000	Asset Management Fees	42,912
925000	Total Tenant Services	24,226
930000	Total Utilities	1,177,498
940000	Total Maintenance	1,090,286
950000	Total Protective Services	270,384
961000	Total Insurance Expense	57,974
960000	Total General Expenses	-
969000	Total Operating Expenditures	3,228,831
970000	Net Incom/(Loss)	(125,350)
	Total Other Financial Items	1,231,656
10000	Net Cash Flow	(1,357,006)

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 30	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		

FDS Line #	Account Title	AMP 30 Total FY 2012 Budget
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	1,677,780
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	1,093,289
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	54,980
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	277,432
700000	Total Operating Income	3,103,481
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	179,654
915000	Employee Benefits - Administrative	75,455
912000	Auditing Fees	5,114
913000	Management Fees	245,712
913100	Bookkeeping Fees	31,776
914000	Advertising and Marketing	-
916000	Office Expenses	23,928
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	3,912
910000	Total Administrative	565,551
920000	Asset Management Fees	42,912
Tenant Services		
921000	Tenant Services - Salaries	22,152
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	2,074
925000	Total Tenant Services	24,226
Utilities		
931000	Water	125,124
932000	Electricity	725,014
933000	Gas	23,028
934000	Fuel	-
936000	Sewer	304,332
938000	Other	-
930000	Total Utilities	1,177,498
Maintenance		
941000	Labor	607,188
945000	Employee Benefits - Maintenance	255,019
942000	Maintenance Materials	60,032
943002	Garbage and Trash Removal Contracts	75,000
943021-2	Heating & Cooling Contracts	6,396
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	-
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	25,332
943017	Plumbing Contracts	8,448
943006	Extermination Contracts	3,024
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	49,847
940000	Total Maintenance	1,090,286
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	270,384
953000	Protective Service Other	-
950000	Total Protective Services	270,384
Insurance		
961100	Property	35,855
961200	General Liability	3,563
961300	Worker's Comp.	16,579
961400	Other Insurance	1,978
961000	Total Insurance Expense	57,974
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	-
969000	Total Operating Expenditures	3,228,831
970000	Net Incom/(Loss)	(125,350)

Operating Budget

PHA Name		Hawaii Public Housing Authority
Address		1002 North School Street
City, State		Honolulu, Hawaii 96817
AMP Project Number		AMP 31
Fiscal Year Ending		6/30/2012
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
		AMP 31 Total FY 2012 Budget
FDS Line #:	Account Title	
Operating Income:		
700000	Total Operating Income	2,953,816
Operating Expenditures:		
910000	Total Administrative	482,052
920000	Asset Management Fees	44,760
925000	Total Tenant Services	2,074
930000	Total Utilities	604,356
940000	Total Maintenance	826,098
950000	Total Protective Services	434,400
961000	Total Insurance Expense	55,218
960000	Total General Expenses	154,152
969000	Total Operating Expenditures	2,603,110
970000	Net Incom/(Loss)	350,706
	Total Other Financial Items	2,018,940
10000	Net Cash Flow	(1,668,234)

Operating Budget

PHA Name		Hawaii Public Housing Authority
Address		1002 North School Street
City, State		Honolulu, Hawaii 96817
AMP Project Number		AMP 31
Fiscal Year Ending		6/30/2012
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
		AMP 31 Total FY 2012 Budget
FDS Line #	Account Title	
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	1,080,420
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	1,430,116
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	-
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	443,280
700000	Total Operating Income	2,953,816
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	143,575
915000	Employee Benefits - Administrative	60,302
912000	Auditing Fees	5,115
913000	Management Fees	225,456
913100	Bookkeeping Fees	29,148
914000	Advertising and Marketing	-
916000	Office Expenses	18,456
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	-
910000	Total Administrative	482,052
920000	Asset Management Fees	44,760
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	2,074
925000	Total Tenant Services	2,074
Utilities		
931000	Water	214,068
932000	Electricity	80,280
933000	Gas	-
934000	Fuel	-
936000	Sewer	310,008
938000	Other	-
930000	Total Utilities	604,356
Maintenance		
941000	Labor	456,951
945000	Employee Benefits - Maintenance	191,919
942000	Maintenance Materials	27,936
943002	Garbage and Trash Removal Contracts	146,292
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	-
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	-
943017	Plumbing Contracts	-
943006	Extermination Contracts	-
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	3,000
940000	Total Maintenance	826,098
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	434,400
953000	Protective Service Other	-
950000	Total Protective Services	434,400
Insurance		
961100	Property	36,842
961200	General Liability	2,615
961300	Worker's Comp.	14,935
961400	Other Insurance	826
961000	Total Insurance Expense	55,218
General Expenses		
962000	Other General Expense	28,236
962100	Compensated Absences	-
963000	Payments in Lieu of Taxes	-
964000	Bad Debt-Tenants	125,916
968000	Severance Expense	-
960000	Total General Expenses	154,152
969000	Total Operating Expenditures	2,603,110
970000	Net Incom/(Loss)	350,706

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 32	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 32 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	3,110,454
Operating Expenditures:		
910000	Total Administrative	498,625
920000	Asset Management Fees	43,680
925000	Total Tenant Services	4,474
930000	Total Utilities	855,888
940000	Total Maintenance	853,801
950000	Total Protective Services	73,833
961000	Total Insurance Expense	46,008
960000	Total General Expenses	24,996
969000	Total Operating Expenditures	2,401,305
970000	Net Incom/(Loss)	709,149
	Total Other Financial Items	441,264
10000	Net Cash Flow	267,885

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 32	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
	AMP 32	
	Total FY 2012	
	Budget	
FDS Line #	Account Title	
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	1,267,008
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	1,729,425
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	39,768
704000	Excess Utilities	-
711000	Investment Income	120
714000	Fraud Recovery	-
715000	Other Income	74,133
700000	Total Operating Income	3,110,454
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	110,928
915000	Employee Benefits - Administrative	46,590
912000	Auditing Fees	5,115
913000	Management Fees	247,812
913100	Bookkeeping Fees	32,040
914000	Advertising and Marketing	-
916000	Office Expenses	48,876
917000	Legal Expense	200
918000	Travel	100
919000	Other Administrative Costs	6,964
910000	Total Administrative	498,625
920000	Asset Management Fees	43,680
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	4,474
925000	Total Tenant Services	4,474
Utilities		
931000	Water	241,212
932000	Electricity	85,104
933000	Gas	148,248
934000	Fuel	-
936000	Sewer	381,324
938000	Other	-
930000	Total Utilities	855,888
Maintenance		
941000	Labor	452,508
945000	Employee Benefits - Maintenance	190,053
942000	Maintenance Materials	54,012
943002	Garbage and Trash Removal Contracts	-
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	145,492
943026	Landscape & Grounds Contracts	-
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	-
943017	Plumbing Contracts	-
943006	Extermination Contracts	-
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	11,736
940000	Total Maintenance	853,801
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	73,833
953000	Protective Service Other	-
950000	Total Protective Services	73,833
Insurance		
961100	Property	35,952
961200	General Liability	2,442
961300	Worker's Comp.	7,019
961400	Other Insurance	595
961000	Total Insurance Expense	46,008
General Expenses		
962000	Other General Expense	24,996
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	24,996
969000	Total Operating Expenditures	2,401,305
970000	Net Incom/(Loss)	709,149

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 33	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)	0	
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 33 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	2,348,754
Operating Expenditures:		
910000	Total Administrative	471,466
920000	Asset Management Fees	57,252
925000	Total Tenant Services	5,074
930000	Total Utilities	773,424
940000	Total Maintenance	872,359
950000	Total Protective Services	-
961000	Total Insurance Expense	55,676
960000	Total General Expenses	-
969000	Total Operating Expenditures	2,235,251
970000	Net Incom/(Loss)	113,502
	Total Other Financial Items	628,404
10000	Net Cash Flow	(514,902)

Operating Budget

PHA Name		Hawaii Public Housing Authority
Address		1002 North School Street
City, State		Honolulu, Hawaii 96817
AMP Project Number		AMP 33
Fiscal Year Ending		6/30/2012
ACC Units		
Unit Months Available (UMAs)		0
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
		AMP 33 Total FY 2012 Budget
FDS Line #	Account Title	
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	1,115,796
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	1,232,622
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	-
704000	Excess Utilities	-
711000	Investment Income	60
714000	Fraud Recovery	-
715000	Other Income	276
700000	Total Operating Income	2,348,754
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	115,476
915000	Employee Benefits - Administrative	48,500
912000	Auditing Fees	5,114
913000	Management Fees	257,544
913100	Bookkeeping Fees	33,300
914000	Advertising and Marketing	-
916000	Office Expenses	7,128
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	4,404
910000	Total Administrative	471,466
920000	Asset Management Fees	57,252
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	5,074
925000	Total Tenant Services	5,074
Utilities		
931000	Water	213,348
932000	Electricity	33,492
933000	Gas	119,004
934000	Fuel	-
936000	Sewer	407,580
938000	Other	-
930000	Total Utilities	773,424
Maintenance		
941000	Labor	472,008
945000	Employee Benefits - Maintenance	198,243
942000	Maintenance Materials	38,844
943002	Garbage and Trash Removal Contracts	-
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	-
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	-
943017	Plumbing Contracts	-
943006	Extermination Contracts	-
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	163,264
940000	Total Maintenance	872,359
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	36,842
961200	General Liability	2,543
961300	Worker's Comp.	15,672
961400	Other Insurance	620
961000	Total Insurance Expense	55,678
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	-
969000	Total Operating Expenditures	2,235,251
970000	Net Income/(Loss)	113,502

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 34	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
		AMP 34 Total FY 2012 Budget
FDS Line #	Account Title	
Operating Income:		
700000	Total Operating Income	3,663,336
Operating Expenditures:		
910000	Total Administrative	970,383
920000	Asset Management Fees	69,960
925000	Total Tenant Services	6,208
930000	Total Utilities	1,164,828
940000	Total Maintenance	1,246,971
950000	Total Protective Services	94,588
961000	Total Insurance Expense	81,058
960000	Total General Expenses	1,500
969000	Total Operating Expenditures	3,635,496
970000	Net Incom/(Loss)	27,840
	Total Other Financial Items	411,384
10000	Net Cash Flow	(383,544)

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 34	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
		AMP 34 Total FY 2012 Budget
FDS Line #	Account Title	
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	1,572,636
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	1,920,404
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	22,200
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	148,096
700000	Total Operating Income	3,663,336
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	331,164
915000	Employee Benefits - Administrative	139,089
912000	Auditing Fees	5,115
913000	Management Fees	392,568
913100	Bookkeeping Fees	50,748
914000	Advertising and Marketing	-
916000	Office Expenses	38,247
917000	Legal Expense	7,316
918000	Travel	-
919000	Other Administrative Costs	6,136
910000	Total Administrative	970,383
920000	Asset Management Fees	69,960
Tenant Services		
921000	Tenant Services - Salaries	1,128
923000	Employee Benefits - Tenant Services	474
922000	Relocation Costs	-
924000	Tenant Services-Other	4,606
925000	Total Tenant Services	6,208
Utilities		
931000	Water	139,656
932000	Electricity	477,132
933000	Gas	113,532
934000	Fuel	-
936000	Sewer	434,508
938000	Other	-
930000	Total Utilities	1,164,828
Maintenance		
941000	Labor	538,812
945000	Employee Benefits - Maintenance	226,301
942000	Maintenance Materials	166,045
943002	Garbage and Trash Removal Contracts	61,612
943021-2	Heating & Cooling Contracts	41,490
943014	Elevator Maintenance	3,750
943026	Landscape & Grounds Contracts	2,000
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	29,775
943017	Plumbing Contracts	42,000
943006	Extermination Contracts	15,824
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	117,968
943000	Other Misc. Contract Costs	1,394
940000	Total Maintenance	1,246,971
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	94,588
953000	Protective Service Other	-
950000	Total Protective Services	94,588
Insurance		
961100	Property	57,583
961200	General Liability	3,279
961300	Worker's Comp.	19,590
961400	Other Insurance	606
961000	Total Insurance Expense	81,058
General Expenses		
962000	Other General Expense	1,500
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	1,500
969000	Total Operating Expenditures	3,635,496
970000	Net Incom/(Loss)	27,840

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 35	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
		AMP 35 Total FY 2012 Budget
FDS Line #	Account Title	
Operating Income:		
700000	Total Operating Income	3,717,304
Operating Expenditures:		
910000	Total Administrative	723,433
920000	Asset Management Fees	70,440
925000	Total Tenant Services	32,818
930000	Total Utilities	1,288,836
940000	Total Maintenance	1,051,248
950000	Total Protective Services	256,812
961000	Total Insurance Expense	81,641
960000	Total General Expenses	24,000
969000	Total Operating Expenditures	3,529,228
970000	Net Incom/(Loss)	188,077
	Total Other Financial Items	759,084
10000	Net Cash Flow	(571,007)

Operating Budget

PHA Name		Hawaii Public Housing Authority
Address		1002 North School Street
City, State		Honolulu, Hawaii 96817
AMP Project Number		AMP 35
Fiscal Year Ending		6/30/2012
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
		AMP 35 Total FY 2012 Budget
FDS Line #	Account Title	
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	1,671,228
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	1,969,456
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	756
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	75,864
700000	Total Operating Income	3,717,304
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	167,880
915000	Employee Benefits - Administrative	70,510
912000	Auditing Fees	5,115
913000	Management Fees	390,444
913100	Bookkeeping Fees	50,484
914000	Advertising and Marketing	-
916000	Office Expenses	27,528
917000	Legal Expense	7,092
918000	Travel	-
919000	Other Administrative Costs	4,380
910000	Total Administrative	723,433
920000	Asset Management Fees	70,440
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	32,818
925000	Total Tenant Services	32,818
Utilities		
931000	Water	135,360
932000	Electricity	466,920
933000	Gas	4,716
934000	Fuel	249,672
936000	Sewer	432,168
938000	Other	-
930000	Total Utilities	1,288,836
Maintenance		
941000	Labor	536,280
945000	Employee Benefits - Maintenance	225,238
942000	Maintenance Materials	84,444
943002	Garbage and Trash Removal Contracts	39,564
943021-2	Heating & Cooling Contracts	7,200
943014	Elevator Maintenance	3,492
943026	Landscape & Grounds Contracts	-
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	-
943017	Plumbing Contracts	1,860
943006	Extermination Contracts	31,200
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	121,970
940000	Total Maintenance	1,051,248
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	248,616
953000	Protective Service Other	8,196
950000	Total Protective Services	256,812
Insurance		
961100	Property	57,977
961200	General Liability	3,561
961300	Worker's Comp.	19,192
961400	Other Insurance	911
961000	Total Insurance Expense	81,641
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	24,000
968000	Severance Expense	-
960000	Total General Expenses	24,000
969000	Total Operating Expenditures	3,529,228
970000	Net Incom/(Loss)	188,077

014-14

NO AMP 36

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 37	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 37 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	1,793,637
Operating Expenditures:		
910000	Total Administrative	694,066
920000	Asset Management Fees	47,520
925000	Total Tenant Services	19,605
930000	Total Utilities	341,997
940000	Total Maintenance	633,425
950000	Total Protective Services	-
961000	Total Insurance Expense	51,092
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,787,706
970000	Net Incom/(Loss)	5,931
	Total Other Financial Items	1,548,408
10000	Net Cash Flow	(1,542,477)

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 37	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		

FDS Line #	Account Title	AMP 37 Total FY 2012 Budget
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	809,030
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	887,696
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	32,607
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	64,304
700000	Total Operating Income	1,793,637

Operating Expenditures:		
Administrative		
911000	Administrative Salaries	327,348
915000	Employee Benefits - Administrative	137,486
912000	Auditing Fees	5,115
913000	Management Fees	183,024
913100	Bookkeeping Fees	32,208
914000	Advertising and Marketing	-
916000	Office Expenses	2,247
917000	Legal Expense	2,754
918000	Travel	3,499
919000	Other Administrative Costs	385
910000	Total Administrative	694,066
920000	Asset Management Fees	47,520
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	2,002
924000	Tenant Services-Other	17,603
925000	Total Tenant Services	19,605
Utilities		
931000	Water	85,000
932000	Electricity	139,999
933000	Gas	37,000
934000	Fuel	14,998
936000	Sewer	65,000
938000	Other	-
930000	Total Utilities	341,997
Maintenance		
941000	Labor	276,252
945000	Employee Benefits - Maintenance	116,026
942000	Maintenance Materials	85,008
943002	Garbage and Trash Removal Contracts	100,000
943021-2	Heating & Cooling Contracts	4,945
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	8,626
943029	Unit Turnaround Contract	20,000
943018	Electrical Contracts	2,299
943017	Plumbing Contracts	1,485
943006	Extermination Contracts	1,727
943010	Janitorial Contracts	1,727
943025	Routine Maintenance Contracts	10,000
943000	Other Misc. Contract Costs	5,330
940000	Total Maintenance	633,425
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	39,116
961200	General Liability	2,252
961300	Worker's Comp.	8,453
961400	Other Insurance	1,272
961000	Total Insurance Expense	51,092
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,787,706
970000	Net Income/(Loss)	5,931

014-17

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 38	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 38 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	1,993,099
Operating Expenditures:		
910000	Total Administrative	513,171
920000	Asset Management Fees	38,520
925000	Total Tenant Services	2,074
930000	Total Utilities	361,373
940000	Total Maintenance	477,677
950000	Total Protective Services	-
961000	Total Insurance Expense	40,265
960000	Total General Expenses	360
969000	Total Operating Expenditures	1,433,441
970000	Net Incom/(Loss)	559,658
	Total Other Financial Items	292,776
10000	Net Cash Flow	266,882

Operating Budget

PHA Name	Hawaii Public Housing Authority
Address	1002 North School Street
City, State	Honolulu, Hawaii 96817
AMP Project Number	AMP 38
Fiscal Year Ending	6/30/2012
ACC Units	
Unit Months Available (UMAs)	
Built Date	
Date of Last Renovation	
Occupancy Type (family, senior, mixed)	
Type of Budget (Original, Revision #)	
Building Type (high-rise, garden, etc.)	

FDS Line #	Account Title	AMP 38 Total FY 2012 Budget
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	541,512
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	1,435,807
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	7,476
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	8,304
700000	Total Operating Income	1,993,099

Operating Expenditures:		
Administrative		
911000	Administrative Salaries	172,572
915000	Employee Benefits - Administrative	72,480
912000	Auditing Fees	5,115
913000	Management Fees	210,132
913100	Bookkeeping Fees	27,156
914000	Advertising and Marketing	-
916000	Office Expenses	15,192
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	10,524
910000	Total Administrative	513,171

920000	Asset Management Fees	38,520
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Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	2,074
925000	Total Tenant Services	2,074

Utilities		
931000	Water	119,148
932000	Electricity	105,845
933000	Gas	73,332
934000	Fuel	-
936000	Sewer	63,048
938000	Other	-
930000	Total Utilities	361,373

Maintenance		
941000	Labor	260,184
945000	Employee Benefits - Maintenance	109,277
942000	Maintenance Materials	79,776
943002	Garbage and Trash Removal Contracts	3,948
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	7,608
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	-
943017	Plumbing Contracts	2,568
943006	Extermination Contracts	-
943010	Janitorial Contracts	1,884
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	12,432
940000	Total Maintenance	477,677

Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-

Insurance		
961100	Property	31,707
961200	General Liability	2,550
961300	Worker's Comp.	5,368
961400	Other Insurance	641
961000	Total Insurance Expense	40,265

General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments in Lieu of Taxes	-
964000	Bad Debt-Tenants	360
968000	Severance Expense	-
960000	Total General Expenses	360

969000	Total Operating Expenditures	1,433,441
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970000	Net Incom/(Loss)	559,658
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Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 39	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 39 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	1,200,603
Operating Expenditures:		
910000	Total Administrative	355,408
920000	Asset Management Fees	-
925000	Total Tenant Services	3,142
930000	Total Utilities	414,676
940000	Total Maintenance	393,851
950000	Total Protective Services	-
961000	Total Insurance Expense	27,105
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,194,182
970000	Net Incom/(Loss)	6,421
	Total Other Financial Items	174,192
10000	Net Cash Flow	(167,771)

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 39	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
	AMP 39	
	Total FY 2012	
	Budget	
FDS Line #	Account Title	
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	660,000
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	535,623
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	-
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	4,980
700000	Total Operating Income	1,200,603
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	142,404
915000	Employee Benefits - Administrative	59,810
912000	Auditing Fees	5,114
913000	Management Fees	94,680
913100	Bookkeeping Fees	12,252
914000	Advertising and Marketing	-
916000	Office Expenses	28,476
917000	Legal Expense	4,872
918000	Travel	5,472
919000	Other Administrative Costs	2,328
910000	Total Administrative	355,408
920000	Asset Management Fees	-
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	3,142
925000	Total Tenant Services	3,142
Utilities		
931000	Water	60,000
932000	Electricity	215,000
933000	Gas	50,000
934000	Fuel	-
936000	Sewer	89,676
938000	Other	-
930000	Total Utilities	414,676
Maintenance		
941000	Labor	187,112
945000	Employee Benefits - Maintenance	78,587
942000	Maintenance Materials	53,000
943002	Garbage and Trash Removal Contracts	44,988
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	11,000
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	10,404
943017	Plumbing Contracts	8,760
943006	Extermination Contracts	-
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	-
940000	Total Maintenance	393,851
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	19,358
961200	General Liability	1,880
961300	Worker's Comp.	4,955
961400	Other Insurance	913
961000	Total Insurance Expense	27,105
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,194,182
970000	Net Incom/(Loss)	6,421

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 40	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 40 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	1,392,363
Operating Expenditures:		
910000	Total Administrative	192,564
920000	Asset Management Fees	20,400
925000	Total Tenant Services	2,074
930000	Total Utilities	491,972
940000	Total Maintenance	486,768
950000	Total Protective Services	75,000
961000	Total Insurance Expense	53,498
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,322,276
970000	Net Incom/(Loss)	70,087
	Total Other Financial Items	23,184
10000	Net Cash Flow	46,903

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 40	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
	AMP 40	
	Total FY 2012	
FDS Line #	Account Title	Budget
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	765,000
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	610,000
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	3,624
704000	Excess Utilities	624
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	13,115
700000	Total Operating Income	1,392,363
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	-
915000	Employee Benefits - Administrative	-
912000	Auditing Fees	4,668
913000	Management Fees	70,512
913100	Bookkeeping Fees	15,300
914000	Advertising and Marketing	-
916000	Office Expenses	2,908
917000	Legal Expense	2,000
918000	Travel	-
919000	Other Administrative Costs	97,176
910000	Total Administrative	192,564
920000	Asset Management Fees	20,400
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	2,074
925000	Total Tenant Services	2,074
Utilities		
931000	Water	100,000
932000	Electricity	7,000
933000	Gas	180,000
934000	Fuel	-
936000	Sewer	204,972
938000	Other	-
930000	Total Utilities	491,972
Maintenance		
941000	Labor	-
945000	Employee Benefits - Maintenance	-
942000	Maintenance Materials	29,076
943002	Garbage and Trash Removal Contracts	73,668
943021-2	Heating & Cooling Contracts	300
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	-
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	6,180
943017	Plumbing Contracts	3,528
943006	Extermination Contracts	360
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	1,068
943000	Other Misc. Contract Costs	372,588
940000	Total Maintenance	486,768
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	75,000
953000	Protective Service Other	-
950000	Total Protective Services	75,000
Insurance		
961100	Property	25,356
961200	General Liability	-
961300	Worker's Comp.	28,116
961400	Other Insurance	26
961000	Total Insurance Expense	53,498
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,322,276
970000	Net Income/(Loss)	70,087

014-23

NO AMP 41

NO MU 42

STATE ONLY

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 43	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 43 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	1,397,844
Operating Expenditures:		
910000	Total Administrative	361,783
920000	Asset Management Fees	130,104
925000	Total Tenant Services	2,074
930000	Total Utilities	300,000
940000	Total Maintenance	549,269
950000	Total Protective Services	-
961000	Total Insurance Expense	12,826
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,356,056
970000	Net Incom/(Loss)	41,788
	Total Other Financial Items	630,336
10000	Net Cash Flow	(588,548)

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 43	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
	AMP 43	
	Total FY 2012	
	Budget	
FDS Line #	Account Title	
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	603,941
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	784,267
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	1,457
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	8,179
700000	Total Operating Income	1,397,844
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	-
915000	Employee Benefits - Administrative	-
912000	Auditing Fees	5,114
913000	Management Fees	136,356
913100	Bookkeeping Fees	17,640
914000	Advertising and Marketing	-
916000	Office Expenses	26,905
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	175,768
910000	Total Administrative	361,783
920000	Asset Management Fees	130,104
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	2,074
925000	Total Tenant Services	2,074
Utilities		
931000	Water	80,000
932000	Electricity	150,000
933000	Gas	30,000
934000	Fuel	-
936000	Sewer	40,000
938000	Other	-
930000	Total Utilities	300,000
Maintenance		
941000	Labor	-
945000	Employee Benefits - Maintenance	-
942000	Maintenance Materials	66,855
943002	Garbage and Trash Removal Contracts	75,000
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	-
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	2,000
943017	Plumbing Contracts	12,204
943006	Extermination Contracts	10,000
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	383,210
940000	Total Maintenance	548,269
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	12,826
961200	General Liability	-
961300	Worker's Comp.	-
961400	Other Insurance	-
961000	Total Insurance Expense	12,826
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,356,056
970000	Net Incom/(Loss)	41,788

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 44	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 44 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	1,958,171
Operating Expenditures:		
910000	Total Administrative	315,178
920000	Asset Management Fees	31,200
925000	Total Tenant Services	2,074
930000	Total Utilities	603,262
940000	Total Maintenance	667,813
950000	Total Protective Services	-
961000	Total Insurance Expense	46,451
960000	Total General Expenses	42,192
969000	Total Operating Expenditures	1,708,170
970000	Net Incom/(Loss)	250,001
	Total Other Financial Items	821,916
10000	Net Cash Flow	(571,915)

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 44	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		

FDS Line #	Account Title	AMP 44 Total FY 2012 Budget
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	722,940
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	1,223,268
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	-
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	11,963
700000	Total Operating Income	1,958,171
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	-
915000	Employee Benefits - Administrative	-
912000	Auditing Fees	5,114
913000	Management Fees	104,340
913100	Bookkeeping Fees	19,596
914000	Advertising and Marketing	-
916000	Office Expenses	15,336
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	170,792
910000	Total Administrative	315,178
920000	Asset Management Fees	31,200
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	2,074
925000	Total Tenant Services	2,074
Utilities		
931000	Water	104,182
932000	Electricity	89,424
933000	Gas	41,004
934000	Fuel	193,104
936000	Sewer	175,548
938000	Other	-
930000	Total Utilities	603,262
Maintenance		
941000	Labor	-
945000	Employee Benefits - Maintenance	-
942000	Maintenance Materials	64,500
943002	Garbage and Trash Removal Contracts	85,056
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	9,576
943029	Unit Turnaround Contract	29,928
943018	Electrical Contracts	13,032
943017	Plumbing Contracts	13,032
943006	Extermination Contracts	4,992
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	447,697
940000	Total Maintenance	667,813
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	32,807
961200	General Liability	-
961300	Worker's Comp.	13,644
961400	Other Insurance	-
961000	Total Insurance Expense	46,451
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments in Lieu of Taxes	42,192
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	42,192
969000	Total Operating Expenditures	1,708,170
970000	Net Incom/(Loss)	250,001

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 45	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 45 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	1,249,235
Operating Expenditures:		
910000	Total Administrative	325,643
920000	Asset Management Fees	27,120
925000	Total Tenant Services	2,074
930000	Total Utilities	326,895
940000	Total Maintenance	462,089
950000	Total Protective Services	-
961000	Total Insurance Expense	21,853
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,165,675
970000	Net Incom/(Loss)	83,561
	Total Other Financial Items	789,034
10000	Net Cash Flow	(705,473)

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 45	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
	AMP 45	
	Total FY 2012	
	Budget	
FDS Line #	Account Title	
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	808,384
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	409,745
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	14,292
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	16,814
700000	Total Operating Income	1,249,235
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	-
915000	Employee Benefits - Administrative	-
912000	Auditing Fees	4,938
913000	Management Fees	57,562
913100	Bookkeeping Fees	20,220
914000	Advertising and Marketing	-
916000	Office Expenses	75,103
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	167,820
910000	Total Administrative	325,643
920000	Asset Management Fees	27,120
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	2,074
925000	Total Tenant Services	2,074
Utilities		
931000	Water	95,025
932000	Electricity	42,234
933000	Gas	19,636
934000	Fuel	-
936000	Sewer	170,000
938000	Other	-
930000	Total Utilities	326,895
Maintenance		
941000	Labor	-
945000	Employee Benefits - Maintenance	-
942000	Maintenance Materials	61,502
943002	Garbage and Trash Removal Contracts	81,533
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	-
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	2,499
943017	Plumbing Contracts	2,499
943006	Extermination Contracts	11,300
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	302,756
940000	Total Maintenance	462,089
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	-
961200	General Liability	3,420
961300	Worker's Comp.	14,473
961400	Other Insurance	3,960
961000	Total Insurance Expense	21,853
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	-
969000	Total Operating Expenditures	1,165,675
970000	Net Incom/(Loss)	83,561

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 46	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
		AMP 46 Total FY 2012 Budget
FDS Line #	Account Title	
Operating Income:		
700000	Total Operating Income	639,142
Operating Expenditures:		
910000	Total Administrative	219,991
920000	Asset Management Fees	66,600
925000	Total Tenant Services	3,198
930000	Total Utilities	158,910
940000	Total Maintenance	253,290
950000	Total Protective Services	-
961000	Total Insurance Expense	10,328
960000	Total General Expenses	7,752
969000	Total Operating Expenditures	720,069
970000	Net Incom/(Loss)	(80,927)
	Total Other Financial Items	19,200
10000	Net Cash Flow	(100,127)

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 46	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		

FDS Line #	Account Title	AMP 46 Total FY 2012 Budget
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	235,171
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	378,891
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	16,848
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	8,232
700000	Total Operating Income	639,142

Operating Expenditures:		
Administrative		
911000	Administrative Salaries	-
915000	Employee Benefits - Administrative	-
912000	Auditing Fees	5,115
913000	Management Fees	58,920
913100	Bookkeeping Fees	7,620
914000	Advertising and Marketing	-
916000	Office Expenses	6,780
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	141,556
910000	Total Administrative	219,991
920000	Asset Management Fees	66,600
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	700
924000	Tenant Services-Other	2,498
925000	Total Tenant Services	3,198
Utilities		
931000	Water	40,000
932000	Electricity	64,338
933000	Gas	32,000
934000	Fuel	1,772
936000	Sewer	19,000
938000	Other	1,800
930000	Total Utilities	158,910
Maintenance		
941000	Labor	-
945000	Employee Benefits - Maintenance	-
942000	Maintenance Materials	30,000
943002	Garbage and Trash Removal Contracts	10,000
943021-2	Heating & Cooling Contracts	4,970
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	5,644
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	636
943017	Plumbing Contracts	14,232
943006	Extermination Contracts	3,000
943010	Janitorial Contracts	912
943025	Routine Maintenance Contracts	12,000
943000	Other Misc. Contract Costs	171,896
940000	Total Maintenance	253,290
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	10,176
961200	General Liability	-
961300	Worker's Comp.	-
961400	Other Insurance	152
961000	Total Insurance Expense	10,328
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	7,752
968000	Severance Expense	-
960000	Total General Expenses	7,752
969000	Total Operating Expenditures	720,069
970000	Net Incom/(Loss)	(80,927)

NO AMP 47

NO AMP 48

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 49	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 49 Total FY 2012- Budget
Operating Income:		
700000	Total Operating Income	972,082
Operating Expenditures:		
910000	Total Administrative	226,561
920000	Asset Management Fees	18,000
925000	Total Tenant Services	3,082
930000	Total Utilities	338,688
940000	Total Maintenance	357,238
950000	Total Protective Services	-
961000	Total Insurance Expense	14,816
960000	Total General Expenses	-
969000	Total Operating Expenditures	958,385
970000	Net Incom/(Loss)	13,697
	Total Other Financial Items	-
10000	Net Cash Flow	13,697

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 49	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 49 Total FY 2012 Budget
Operating Income:		
11220	Gross Potential Rent	
11230	Less: Vacancy Loss Rent	
703000	Net Tenant Rental Revenue	423,756
11240	Gross Potential Subsidy	
11260	Less: Subsidy Loss - Vacancy	
11250	Less: Subsidy Loss - Proration	
706000	Net Operating Subsidy	524,650
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	15,648
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	8,028
700000	Total Operating Income	972,082
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	80,280
915000	Employee Benefits - Administrative	33,718
912000	Auditing Fees	5,115
913000	Management Fees	86,316
913100	Bookkeeping Fees	11,160
914000	Advertising and Marketing	-
916000	Office Expenses	8,964
917000	Legal Expense	-
918000	Travel	-
919000	Other Administrative Costs	1,008
910000	Total Administrative	226,561
920000	Asset Management Fees	18,000
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	-
924000	Tenant Services-Other	3,082
925000	Total Tenant Services	3,082
Utilities		
931000	Water	40,512
932000	Electricity	148,572
933000	Gas	41,880
934000	Fuel	-
936000	Sewer	107,724
938000	Other	-
930000	Total Utilities	338,688
Maintenance		
941000	Labor	108,996
945000	Employee Benefits - Maintenance	45,778
942000	Maintenance Materials	82,044
943002	Garbage and Trash Removal Contracts	37,044
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	9,792
943029	Unit Turnaround Contract	8,568
943018	Electrical Contracts	2,196
943017	Plumbing Contracts	8,004
943006	Extermination Contracts	5,100
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	-
943000	Other Misc. Contract Costs	49,716
940000	Total Maintenance	357,238
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	14,816
961200	General Liability	-
961300	Worker's Comp.	-
961400	Other Insurance	-
961000	Total Insurance Expense	14,816
General Expenses		
962000	Other General Expense	-
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	-
968000	Severance Expense	-
960000	Total General Expenses	-
969000	Total Operating Expenditures	958,385
970000	Net Incom/(Loss)	13,697

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 50	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 50 Total FY 2012 Budget
Operating Income:		
700000	Total Operating Income	922,716
Operating Expenditures:		
910000	Total Administrative	206,573
920000	Asset Management Fees	14,160
925000	Total Tenant Services	19,606
930000	Total Utilities	234,492
940000	Total Maintenance	367,314
950000	Total Protective Services	-
961000	Total Insurance Expense	17,482
960000	Total General Expenses	7,000
969000	Total Operating Expenditures	866,627
970000	Net Incom/(Loss)	56,089
	Total Other Financial Items	37,000
10000	Net Cash Flow	19,089

Operating Budget

PHA Name	Hawaii Public Housing Authority	
Address	1002 North School Street	
City, State	Honolulu, Hawaii 96817	
AMP Project Number	AMP 50	
Fiscal Year Ending	6/30/2012	
ACC Units		
Unit Months Available (UMAs)		
Built Date		
Date of Last Renovation		
Occupancy Type (family, senior, mixed)		
Type of Budget (Original, Revision #)		
Building Type (high-rise, garden, etc.)		
FDS Line #	Account Title	AMP 50 Total FY 2012 Budget
Operating Income:		
11220	Gross Potential Rent	-
11230	Less: Vacancy Loss Rent	-
703000	Net Tenant Rental Revenue	245,220
11240	Gross Potential Subsidy	-
11260	Less: Subsidy Loss - Vacancy	-
11250	Less: Subsidy Loss - Proration	-
706000	Net Operating Subsidy	671,256
706000	HUD PHA Operating Grant-CFP	-
704000	Other Tenant Charges	6,156
704000	Excess Utilities	-
711000	Investment Income	-
714000	Fraud Recovery	-
715000	Other Income	84
700000	Total Operating Income	922,716
Operating Expenditures:		
Administrative		
911000	Administrative Salaries	71,808
915000	Employee Benefits - Administrative	30,159
912000	Auditing Fees	5,115
913000	Management Fees	78,564
913100	Bookkeeping Fees	10,164
914000	Advertising and Marketing	-
916000	Office Expenses	7,745
917000	Legal Expense	1,650
918000	Travel	-
919000	Other Administrative Costs	1,368
910000	Total Administrative	206,573
920000	Asset Management Fees	14,160
Tenant Services		
921000	Tenant Services - Salaries	-
923000	Employee Benefits - Tenant Services	-
922000	Relocation Costs	15,000
924000	Tenant Services-Other	4,606
925000	Total Tenant Services	19,606
Utilities		
931000	Water	82,056
932000	Electricity	24,516
933000	Gas	28,032
934000	Fuel	-
936000	Sewer	99,888
938000	Other	-
930000	Total Utilities	234,492
Maintenance		
941000	Labor	110,304
945000	Employee Benefits - Maintenance	46,328
942000	Maintenance Materials	60,703
943002	Garbage and Trash Removal Contracts	48,124
943021-2	Heating & Cooling Contracts	-
943014	Elevator Maintenance	-
943026	Landscape & Grounds Contracts	3,000
943029	Unit Turnaround Contract	-
943018	Electrical Contracts	12,500
943017	Plumbing Contracts	11,780
943006	Extermination Contracts	3,000
943010	Janitorial Contracts	-
943025	Routine Maintenance Contracts	26,575
943000	Other Misc. Contract Costs	45,000
940000	Total Maintenance	367,314
Protective Services		
951000	Protective Services - Labor	-
955000	Employee Benefits - Protective Services	-
952000	Protective Services Contract Costs	-
953000	Protective Service Other	-
950000	Total Protective Services	-
Insurance		
961100	Property	11,655
961200	General Liability	-
961300	Worker's Comp.	5,827
961400	Other Insurance	-
961000	Total Insurance Expense	17,482
General Expenses		
962000	Other General Expense	1,000
962100	Compensated Absences	-
963000	Payments In Lieu of Taxes	-
964000	Bad Debt-Tenants	6,000
968000	Severance Expense	-
960000	Total General Expenses	7,000
969000	Total Operating Expenditures	866,627
970000	Net Incom/(Loss)	56,089

**HAWAII PUBLIC HOUSING AUTHORITY
BUDGET FISCAL YEAR 2011-2012**

I. Introduction

Pursuant to §356D-2, Hawaii Revised Statutes, *“(a) There is established the Hawaii public housing authority to be placed within the department of human services for administrative purposes only. The authority shall be a public body and a body corporate and politic.”*

The HPHA’s Board of Directors consists of eleven members, of whom nine are public members appointed by the Governor. Public members shall be appointed from each of the counties of Honolulu, Hawaii, Maui, and Kauai. One public member shall be an advocate for low-income or homeless persons. One public member shall be a person with a disability or an advocate for persons with disabilities. As required by federal statutes, at least one public member shall be a person who is directly assisted by the authority under the federal low-rent public housing or federal section 8 tenant-based housing assistance payments program while serving on the board. The Director of the Department of Human Services and the Governor’s Appointee are ex-officio voting members.

Presently, the HPHA administers the following major programs:

- **Federal and State Public Housing Programs**
The HPHA operates and manages 69 federal public housing developments with 5,300 units housing approximately 15,000 authorized residents throughout Hawaii with funds received from the United States Department of Housing and Urban Development (HUD), and 864 state public housing units developed with State funds housing approximately 2,600 authorized residents.
- **Federal and State Rent Subsidy Programs**
The HPHA administers two federally funded rental assistance programs:
 - ✓ 1,800 Section 8 Housing Choice Voucher Program,
 - ✓ 140 Veterans Affairs Supportive Housing Program (VASH); and
 - ✓ State funded rental supplement assistance program, subsidizing monthly rental payments to qualified households.

II. Budget Assumptions

The Hawaii Public Housing Authority (HPHA) is required to prepare and present an annual budget to the Board of Directors for approval. The budget must be prepared based on requirements of the U.S. Department of Housing and Urban Development (HUD).

Fiscal Year 2011-2012 represents the first year of full compliance with asset

management as defined by HUD's Asset Management model which requires federal public housing to adopt a business model similar to multi-family housing, with project-based budgeting, project-based accounting and project-based management.

Major expenditures such as capital expenditures are separately budgeted and funded by capital dollars from the State and HUD and are not paid for by the AMPs through operations. The asset is depreciated and reflected in each associated AMP's profit and loss once it is placed into service. Thus, the profitability of the AMP is analyzed prior to depreciation expense as this is a non-cash item.

In order to prepare such a budget, certain assumptions have to be made at the beginning of the budget cycle and moving forward these assumptions are adjusted to meet a realistic goal. The following budget assumptions were used by all offices in the preparation of their budgets.

- a. HUD's Public Housing Operating Subsidy is estimated to be prorated at 93% for fiscal year 2011-2012 funding. Fiscal year 2010-2011 funding was 103% of fiscal year 2009-2010 funding. Due to existing Federal Government emphasis on budget reduction, a conservative approach was taken and 92% proration was used in the subsidy projections for fiscal year 2011-2012.
- b. Projects should include all vacant positions in their budgets; this includes State projects. Currently the salary budgeted does not include the proposed 5% annual salary reduction and would be adjusted with the issuance of an executive order.
- c. Operating expenses reflect a 3% increase from fiscal year 2010-2011 expenditures except for utilities which reflect a 5% increase.
- d. Tenant rental revenues will be projected by taking into consideration prior year's occupancy rate, the economy and any renovations / construction that will increase or reduce the availability of rental units. Taking these various factors into consideration the AMPs rental revenues are projected at 97% collection rate and 97% occupancy rate.
- e. Employee benefits are estimated at 42% of salaries and wages. It should be noted that currently in fiscal year 2010-2011 the rate is 38.8%. Also the privately managed AMPS should reflect a lower rate between 20% to 22% of gross salaries and wages (based on their current contract agreements). The employee benefit rate for the HPHA is issued at the State level by the Department of Budget and Finance.
- f. Insurance cost is estimated to increase by 3%. Insurance costs are

negotiated by the State's Risk Management Office and allocated to State agencies based on their inventory of physical assets.

- g. The FMO Staff estimated management, accounting and asset management fees, based on HUD's recommended formula utilizing occupied units, average occupancy and HUD's supplied rates.
- h. Rates for per Diem for interisland travel is \$20 for same day travel and \$90 per 24-hour day. For out of state travel, the current rate is \$145 per 24-hour day. Per diem rates are fixed in the collective bargaining agreements of the HGEA and UPW, and are not discretionary.

III. Budget Overview 2010-2011

Revenue Budget

The fiscal year 2010-2011 revenue budget totaled \$87,354,600. As Chart 1 illustrates the HPHA's largest sources of revenue includes subsidies from HUD to operate the Section 8 Housing Choice Voucher Program in the amount of \$19,477,200, federal operating subsidies from the Department of Housing and Urban Development (HUD) in the amount of \$41,381,924 million, and rental income from the HPHA's tenants in the amount of \$15,568,860 million. Other revenue sources consist of, categorical grants (EDI, EPA) and other miscellaneous revenue.

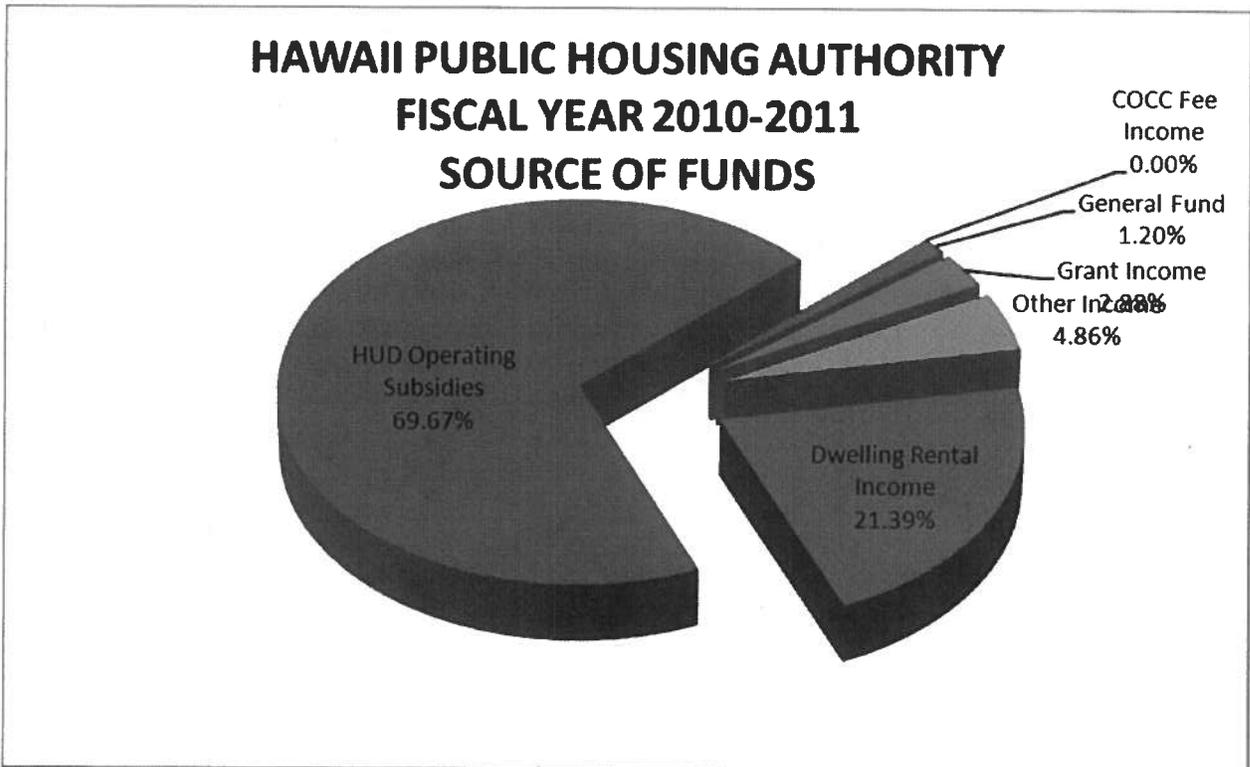


Chart 1

Expense Budget

The fiscal year 2010-2011 expense budget totaled \$97,741,944, which is approximately twelve percent (12%) more than the Authority's fiscal year 2009-2010 expense budget of \$85,836,810. The primary contributor to this increase, is the increase in utilities, specifically sewer and water. As Chart 2 below shows, the most significant portion of the HPHA's budget is the Section 8 Housing Assistance Payments, which accounts for nearly forty-four point forty-one percent (44.41%) or \$ 43,406,100 of the Authority's budget. The second largest component of the HPHA's fiscal year 2010-2011 expense budget is Administrative expenses which accounts for fifteen point sixty-one percent (15.61%) or \$15,254,112. The third largest component of the HPHA's expenditures is Maintenance expenses in the amount of \$15,166,548 or fifteen point fifty-two percent (15.52%) of the budget. Other current expenses included supplies, leases, fee-for-service and security contracts.

It should be noted from fiscal year 2009 forward all salaries, step increases and new hires were frozen. With the start of the Abercrombie administration there was a limited (non-general funded) lifting of the hiring freeze.

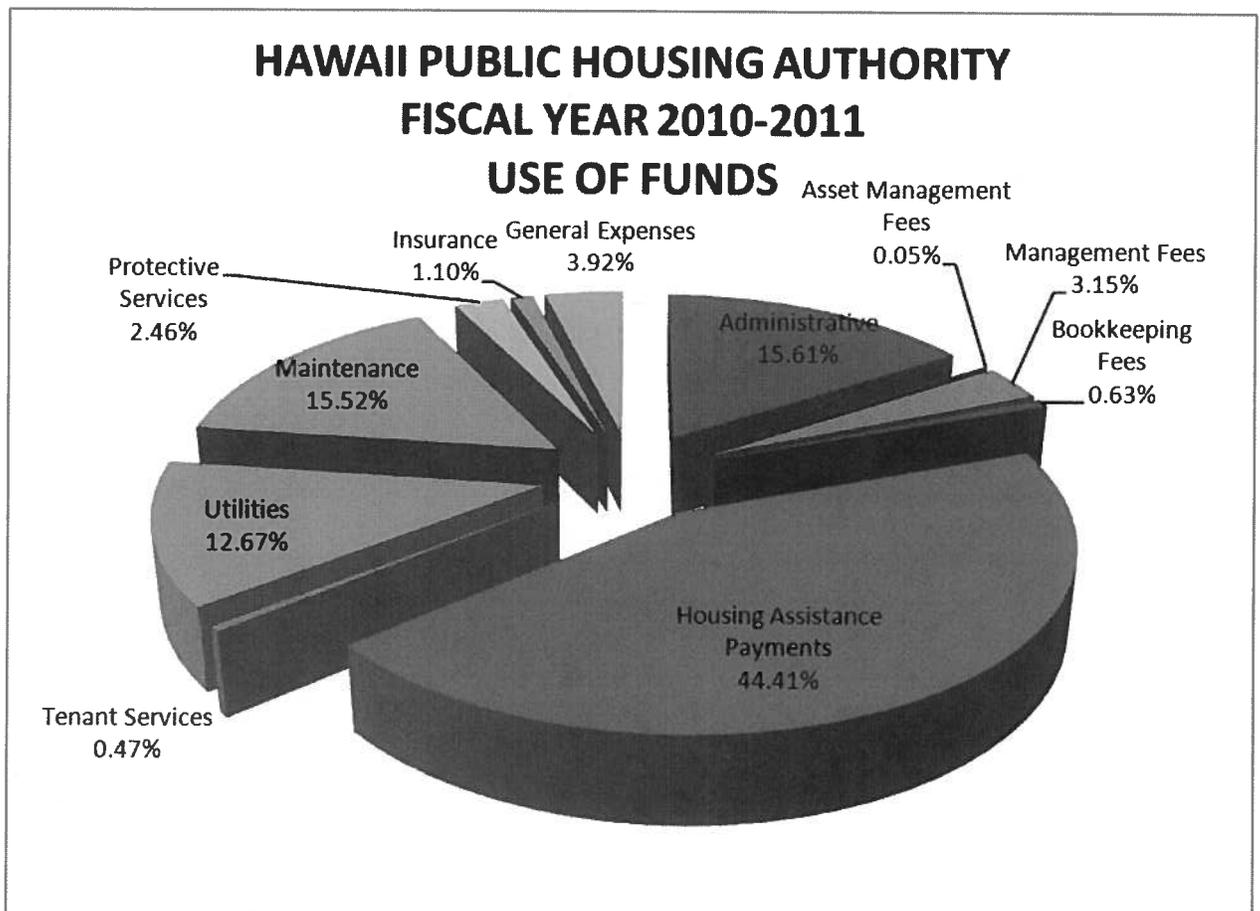


Chart 2

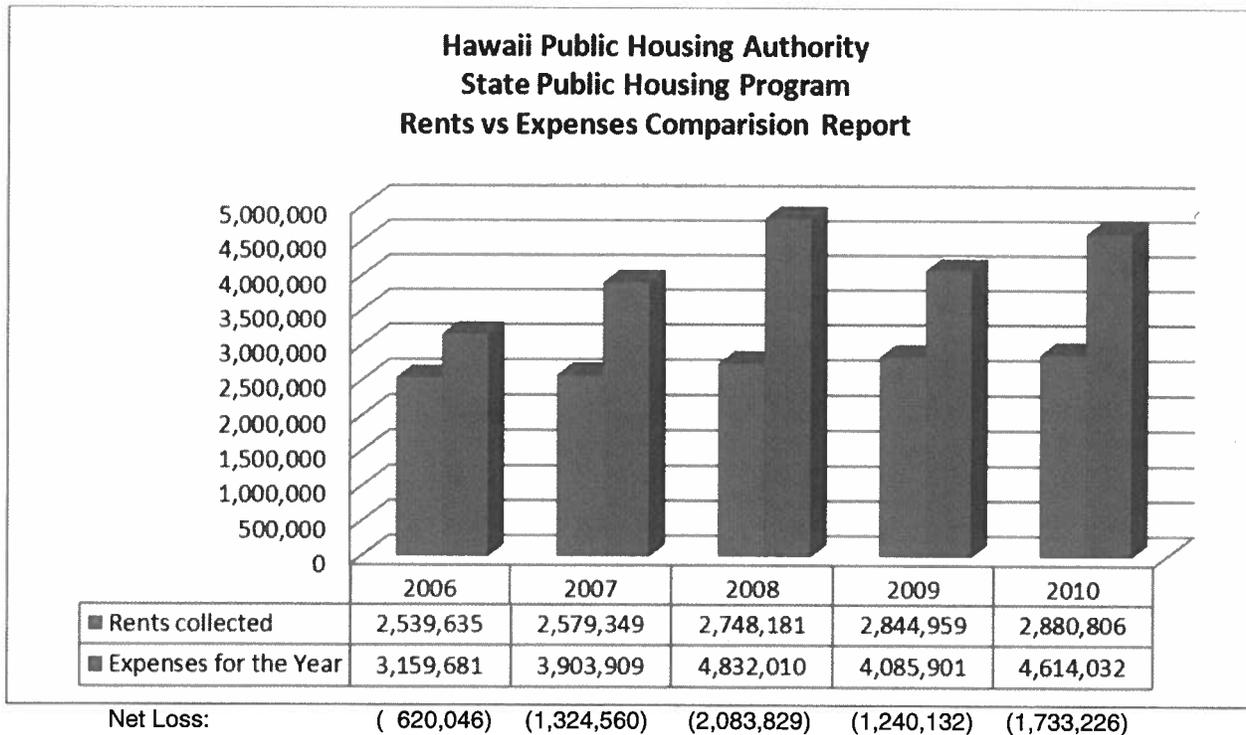
IV. Fiscal Year-2012 Operating Budget

a. Federal Low Income Public Housing Program

Overall the HPHA's operating expenses have increased by a sixth of a percent (0.06%) since fiscal year 2006 while HUD operating subsidies have decreased twenty percent (20%). the Authority is still highly dependent on the budgetary actions of HUD and Congress.

b. State Public Housing Program

The annual budgeted operating costs of the State developments are approximately four million six hundred eighty-six thousand twelve dollars (\$4,686,012.00). The State units managed and maintained by the HPHA will realize a shortfall for fiscal year 2010-2011 of approximately three million two hundred thirty-nine thousand five hundred seventy-eight dollars (\$3,239,578.00). Unlike Federal units, the State units do not receive subsidy, thus contributing to running operating shortfall, as rents are income based and represent 30% of a tenant's income.



Not unlike previous years, the State Capital Improvement Program (CIP) appropriation for fiscal year 2011-2013 CIP provides no allocation for project staff time to oversee, monitor and/or review State projects. Typically, the Federal Capital Fund Program (CFP) allows up to 10% of

the overall allocation to be used for administrative purposes. The inability to allot for associated capital operational expenses will create a funding gap of approximately \$9.0 million impacting operations. These funds will need to be made up from other sources. Most other state agencies and departments are provided the opportunity to tap their state capital appropriations for associated operational expenses by submitting requests for payments to DAGS for those associated operational expenses incurred by the agency/department staff. This is a concern because the HPHA received a major State CIP appropriation for fiscal biennium 2011-2013 to perform major capital repairs in State public housing projects.

c. Shortfall Reduction Actions

- State Housing. The Board tasked the Executive Director with increasing the rents to a minimum, breakeven for each development over a 3-5 year period. The phasing will occur as units become vacant and new tenants are placed. On average the rents will need to be at minimum approximately \$550 dollars a month. Should this be put into place immediately approximately at least 50% of the tenants would need to be evicted. The phased plan includes the ability of a prospective tenant to have the means to pay a rent of \$550. At minimum, there should be a component that provides residents with services that will increase income to meet the new rent requirements and/or assist with other elements of their housing
- A predominate source of tenant rents is fixed income, e.g., SSI, SSDI, and entitlement benefits. Approximately 47% of the households in the State Low rent properties pay \$250 or less in rent. For elderly approximately 54% pay \$250 or less in rent. The simple math suggests that to breakeven the rents would need to average \$550 per month. Rent is income based. No more than 30% of income is paid toward rent. So increases in income are incremental at best.
- The HPHA is preparing to work with the legislature to secure some subsidy to assist with the shortfall.
- Work with the legislature to change the Statue, however, does not resolve the shortfall.
- The HPHA is evaluating the ability to use project base Section 8 vouchers at State housing units. This requires working with HUD to seek approval.
- The HPHA is also applying for grants that assist in providing supportive services to assist residents in increasing their income.
- Realistically, these activates will not produce results immediately however, the HPHA is undertaking these efforts to bridge the shortfall.
- Energy conservation measures will assist, however the full impact has not been quantified.

d. Capital Improvement Program

CIP. Without the ability to use CIP dollars to assist in covering associated costs, e.g., project management, for State capital projects, the HPHA will need to identify other resources to cover these costs. Currently the HPHA is covering these costs through the Central Office Cost Center (COCC). These are monies that are collected through rental activities.

- The HPHA is preparing to work with the Legislature on clarifying intent and working with B&F and DAGS for the methodology used by area divisions on the execution of the Legislative intent.

IV. Fiscal Biennium 2011-2013 Capital Plan

Capital Budget Summary

The capital budget provides funding for the rehabilitation and modernization of the HPHA's housing stock, including improvements to major utilities like water and sewer and site work, whereas, the operating budget provides funding for the day-to-day operation of the HPHA, which includes the operation of buildings and facilities, and salaries for employees. This distinction is important as these are two distinct and different budgets.

To provide a framework for future decisions regarding the property portfolio held by the HPHA we started a planning process that became the groundwork for the Capital Improvement Program (CIP) biennium request (2011-2013) to the legislature. This process started in July/August 2010 and the end result was presented to the Board at the October 2010 Board meeting.

The ongoing maintenance issues with the HPHA's properties were and are becoming critical and without a capital strategy and prioritization scale, the issues would continue to drain the staff and resources would continue to be shifted to address these issues. The practice of shifting capital dollars, from project to project, to cover critical capital needs ensures that the agency will always be in a defensive position in trying to maintain the health of its assets.

The framework for the capital planning process included the following participants:

- Construction Management
- Property Management
- Fiscal Office
- Procurement
- Executive Director and Executive Assistant
- Planning Office

The documents used to assess the properties were:

- Physical Needs Assessment conducted in 2008
- Capital repairs completed over the last 4 years

- Current planned modernization/repairs in process
- The impact of the ARRA fund infusion
- Assessment from the AMPs as to capital needs
- Other projects, e.g., LCCC, KPT, vacant units, elevators

The methodology used evaluated the asset itself and determining if the physical plant needed capital improvements. So the asset was evaluated on:

- Roofs
- Termite damage
- Hazardous material abatement
- Structural issues
- Accessibility concerns
- Site Improvements

It was determined that if an asset had issues with the roof that it was a waste of resources to plan interior improvements without first addressing the roof and/or termite issues. Without addressing the primary condition of the physical plant, the HPHA would continue to shift resources to resolve these issues thereby assuring a constant “fire fighting” mode. The priority scale used was:

- Health
- Safety
- Welfare

After the methodology was agreed upon each property was evaluated and priorities established. By using this as basis, the HPHA is in a better position to set its capital priorities in rank order and should a situation arise that requires funds to be shifted the HPHA can do so without upsetting the entire capital planning process. The next 12-14 months may find the HPHA still shifting resources to meet critical priorities given the long deferred maintenance cycle and the continued lack of funds; however it is anticipated that the HPHA is in a better to position to evaluate its risks and understand the impact of shifting resources. All this has to be balanced against the reality of funding availability.

Based on the implemented capital planning process and the Board of Director’s concurrence, the HPHA received appropriations totaling \$78.47 million in State capital funds for fiscal biennium 2011-2013. This is the largest state capital appropriation over the last 8 years for the HPHA. These appropriations are to be used to address the backlog of capital repairs. This is in addition to the projected annual federal capital grant of approximately \$10 million dollars. The table below details the capital projects for Fiscal Year 2011/2013.

Project Title	FY 11/12	FY 12/13
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Dry Standpipe, Raised Crosswalk and Site Improvements (Construction), Kuhio Park Terrace, Oahu	9,200,000	7,000,000
Remove Solar, Roof Replacement, Instant Hot Water System, Painting, Site Improvements (Design & Construction), Mayor Wright Homes, Oahu	5,600,000	
Physical Improvements Ph 2 (Construction), Palolo Valley Homes, Oahu	5,000,000	0
Master Plan for remaining demo parcel, Hawaii	100,000	0
Renovation of Existing Buildings (Design & Construction), Lanakila Homes, Hawaii	750,000	7,500,000
Major modernization, incl. roof replacement. Extensive termite damage (Construction), Hale Laulima, Oahu	0	5,000,000
ADA Compliance for Various State and Federal Projects (Construction), Statewide	10,000,000	10,000,000
Phase IB Abatement and Modernization Buildings 4, 5, 6 (Design & Construction), Puahala Homes, Oahu	105,00	1,900,000
Site & Dwelling Improvements Phase IV (Design & Construction), Kalihi Valley Homes, Oahu	700,000	7,000,000
Site Work and roof repairs (Design & Construction), Hauki Homes, Oahu	65,000	600,000
Spall Repair and Painting for 19 Buildings, Site Improvements, Interior Renovations (Design & Construction), Kaahumanu Homes, Oahu	2,350,000	1,800,000
Major renovations: roof replacement, interior repairs, exterior and site improvements (Construction), Pomaikai, Hawaii	2,000,000	0
Exterior improvements Paint, Roof repairs, Site Work (Design & Construction), David Malo Circle, Maui	1,800,000	0
TOTALS	\$37,670,00	\$40,800,000

The above projects will be prioritized and integrated into the existing project list and schedule as the HPHA has many projects underway.

Sale of HPHA Properties. In an effort to build capital reserves the HPHA received a total \$9.9 million in net sale proceeds from the sale of two properties. In particular, the mixed finance redevelopment transaction of the two towers at Kuhio Park Terrace (KPT) and the Banyan Street Manor Apartments. These properties were identified as properties, whose sale, would bring resources into the HPHA as well as enhance and improve the quality of life for the tenants as the capital needs outstripped the resources of the HPHA. The proceeds from the sales are a step in the HPHA's strategy of building capital reserves. This will allow, over time, less dependency on federal and state resources.

V. CAPITAL PLAN 2011-2016 HIGHLIGHTS:

- **American Recovery and Reinvestment Act (ARRA).** The HPHA received a total of \$16.24 million in federal stimulus funds, \$ 13,108,477 million of which has already been expended for modernization work. Of the remaining \$ 3,136,965, million that is obligated, \$2,963,575 is to be used for rehabilitation and modernization projects.
- **Capital Backlog Initiative.** Due to aging infrastructure and a decline in federal resources, the Authority has experienced a backlog of capital repair work at its developments. In particular, HPHA estimates that it will cost approximately \$350 million to address the current backlog of capital repairs. This figure was derived from the 2008 Physical Needs Assessment (PNA). The sale of the KPT Towers has reduced the capital backlog by approximately \$160 million and this benchmarks the backlog figure at approximately \$200 million or \$37,000 per unit of repair and/or maintenance work. In the fiscal year 2010-2011 operating budget, the HPHA allocated \$15.9 million for maintenance and repair work. In order to address this problem, the HPHA has received \$78.47 million in State CIP funds for fiscal biennium 2011-2013, which will assist the HPHA to reduce the capital repair backlog.
- **Elevator Service and Safety Plan.** The HPHA initiated a plan that called for the modernization of 16 elevators serving 8 developments. The capital plan includes \$11.34 million for the modernization of 16 elevators at 8 developments. To date, the Authority has completed 0 projects and 6 projects are currently being worked on with 6 to follow shortly.
- **Fair Housing and Americans with Disabilities Act (Section 504) Plan.** The HPHA is in the process of awarding a contract to conduct an assessment for compliance with the referenced subject and has also begun to incorporate ADA/UFAS compliance in the capital plan for various projects. This assessment will become the basis identifying and clarifying the capital improvements needed. The HPHA has already identified projects on its CIP request.
- **Energy Management.** The HPHA is preparing to engage in a energy services agreement. Given the age of the buildings and the increasing costs of utilities the HPHA is evaluating energy efficiency improvements that can save money by reducing energy use. The HPHA is also looking to implement participation and education by working with tenants to identify better ways to reduce energy costs.
- **Lanakila Demolition and Replacement Housing.** In fiscal year 2012-13, after the culmination of over ten years of demolition and construction, the remaining portion of the Lanakila Homes project will be completely demolished and be redeveloped with 82 new units. This project utilized annually appropriated federal and state capital funds, state and federal

operating funds, as well as dedicated state capital funds and dedicated federal replacement housing funds.

V. Conversion to Asset Management

The concept of “asset management” reflects the way private, multifamily rental housing is managed. The September 19, 2005 HUD final rule requires public housing authorities (PHA) with 250 or more units (excluding Section 8 units) to convert to an asset management model, which means conducting budgeting, management, and accounting on a project-by-project basis (projects being “assets”) instead of on a PHA-wide basis.

A HUD guidebook* says that one of the primary purposes of the new asset management rule is to give greater attention to the financial, physical, and management performance of each public housing project (“asset”).

The Four Major Elements of Asset Management

- a. **Project-based Funding.** The “old” system funds PHAs as a whole. The new system will have “project-based funding”, meaning that PHAs will complete a separate subsidy form for each project. For example, if a PHA has 10 projects, then it will get funding based on those 10 projects...and the funds the formula allocates to an individual project can only be used by that project.
- b. **Project-based Budgeting and Accounting.** PHAs will have to prepare a budget and a year-end financial statement for each project every year. However, HUD will not require all property management activities to be based at a property because sometimes it is better to base certain management activities at a central PHA location. Also, HUD will allow some specialized maintenance staff (e.g., electricians) to be based at a central PHA facility; and, HUD recognizes that sometimes it is better to contract out to private vendors (for example, landscaping, exterminating, and turnover painting).
- c. **Project-based Management.** This means that day-to-day management services (such as rent collection and inspections) and routine maintenance services are handled by specific PHA staff who are assigned to a project, and who are usually based at a project. These project-based staff will have significant authority and responsibility over daily operations of the property.
- d. **Project-based Performance Assessment.** HUD recently revised the Public Housing Assessment System (PHAS) to focus on project-based performance instead of PHA-wide performance. Each project will be evaluated on its physical condition, financial condition, and the

performance of management assigned to that project.

AMP Review

AMP	Properties	Projected Revenues	Projected Expenses	Projected Net Income/(Loss) for FY 2011-2012	Projected Net Income/Loss for FY 2010-2011
30 – Oahu	Puuwau Momi Hale Laulima Waipahu I – II Salt Lake	\$3,103,481	\$3,228,831	\$(125,350)	\$83,310
31 – Oahu # units 547	Kalihi Valley Homes	\$2,953,816	\$2,603,110	\$350,706	\$760,107
32 – Oahu # units 364	Mayor Wright Homes	\$3,110,454	\$2,401,305	\$709,149	\$1,007,797
33 – Oahu # units 373	Kaahumanu/ Kamehameha Homes	\$2,348,754	\$2,235,251	\$113,502	\$474,766
34 – Oahu # units 583	Makua Alii Paoakalani Kalakaua	\$3,663,336	\$3,635,496	\$27,840	\$835,987
35 – Oahu # units 587	Punchbowl Homes Kalanihuia Makamae Pumehana Spencer House	\$3,717,304	\$3,529,228	\$188,077	\$767,107
37 – Hilo # units 394	Lanakila Homes I/II/III/IV Punahele Homes Pomaikai Homes Pahala Hale Aloha o Puna Hale Olaloa Kauhale O Hankahi	\$1,793,637	\$1,787,706	\$5,931	\$245,450
38 – Kauai # units 347	Kapaa Hale Hoolulu Eleele Homes Hui O Hanamaulu Kalaheo	\$1,993,099	\$1,433,441	\$599,658	\$860,340

AMP Shortfall Reduction Actions

There are two AMPs with projected shortfalls

AMP 30 projected shortfall is \$(125,350). This is a State run AMP

- ✓ There will be 10 units returned to service in first quarter 2012 that were previously Type C units. The projected income is approximately \$8,700. Conservatively using only 3 months (April, May June).
- ✓ Should the subsidy proration be 93% vs. the projected 92% that would increase the subsidy to income to \$11,000.
- ✓ The AMP has requested additional positions, however unless the income is realized the positions will not be filled. Conservatively the positions are included in the budget at approximately \$45,000.
- ✓ This will still leave the AMP at a deficit of approximately \$(60,000).
- ✓ The first quarter of the new fiscal year will require careful monitoring of this AMP to make additional adjustments. This AMP experienced a spike in sewer and water increases, which contributed to the deficit. Measures will be taken to determine cost savings in these areas.

AMP 46 projected shortfall is \$(80,927). This is a private run AMP:

- ✓ Should proration increase to 93% that would realize an additional \$4,000 in operating subsidy.
- ✓ This AMP is experiencing vacancy as a result of Type C units. Additional revenue of returning approximately 5 units on line first quarter of 2012 is approximately \$4,400. An additional 6 units are being used as relocation units for modernization efforts.
- ✓ First quarter of new fiscal year will require careful monitoring of utilities as an increase is anticipated; and careful monitoring of budgeted maintenance contracts will be monitored.
- ✓ These measures may still end in a deficit and adjustments will be made to minimize.