



**CHA**

CHICAGO HOUSING  
AUTHORITY™

## FY2023 COMPREHENSIVE BUDGET BOOK

*Making the difference in the lives of Chicagoans for 85 years.*





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

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**Chicago Housing Authority  
Illinois**

For the Fiscal Year Beginning

**January 01, 2022**

*Christopher P. Morill*

Executive Director



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To the Board of Commissioners:

I am pleased to present CHA's FY2023 Annual Budget, which outlines CHA's proposed operating and capital expenditures for the coming year. This budget reflects CHA's dual mission of creating and preserving affordable housing while helping families achieve economic power.

CHA's theme for 2022 was ***Make the Difference***. Throughout the year, we encouraged our employees to focus on the ways that they make a difference in the lives of residents. And we asked residents to share their stories of how CHA made a difference in their lives.

CHA summer intern Deon Johnson said, "CHA has made a difference in my life since I was 13 years old. It has provided a job for me and even helped me go to college. It has given me an internship that gave me a better understanding of how I can use my degree, which I wouldn't have had being a first-generation college student."

Towanda Stange, owner of Ms. B's Kitchen and Catering and a WORC participant, catered an event at CHA's Charles Hayes Center this summer. She said, "I happened to run into (CHA contractor) Juana Pollard, who was the property manager for Henry Horner when I moved in. When I met her, I respected her professionalism and demeanor instantly. I hadn't seen her in 20 years. She went above and beyond her job duties. She showed me so many things. She made an impact that even she doesn't know."

During a public meeting at Lincoln Perry Apartments, resident Adell Davis thanked CHA, saying "CHA has been there for me."

Having a positive impact on residents counts as our highest accomplishment. Additional CHA accomplishments in 2022 include the following:

- Together with our partners, we delivered more than 359 new homes in four mixed-income properties, including 138 units for CHA seniors and families. An additional 778 apartments at a dozen sites are under construction.
- We celebrated the opening of 396 new rental apartments, including 143 new Project-Based Voucher apartments and committed to funding another 238 at sites that are currently under construction.
- We demonstrated our commitment to preserving public housing, by rehabilitating 905 units at four senior buildings.
- We leased 80% (936) of Emergency Housing Vouchers, leading all large public housing agencies nationwide. We also received 217 new vouchers from HUD, the first allotment of regular vouchers in many years.
- We partnered with the City of Chicago to secure \$5.2 million in Emergency Rental Assistance funding to help public housing and RAD/PBV residents in arrears to get up-to-date on their rent.
- We transitioned to new security companies with an enhanced security model and protocols.



- We returned 100 of the 108 elevators in the elevator modernization program back to operation and completed energy efficiency projects at five residential buildings at Dearborn Homes.
- We conducted extensive outreach minority/women/disadvantaged and Section 3 businesses, including hosting two *Doing Business with CHA* forums, organizing a Section 3 Pop-Up Showcase, and attending six hiring fairs with Chicago Public Schools.
- We began transitioning the Family Self-Sufficiency program (FSS) in-house to strengthen our connections and support to residents.
- We enhanced ethics and sexual harassment training for all employees, and we launched regular management training for all supervisors.

In 2023, CHA has budgeted more than \$100 million towards capital projects that advance our mission to preserve existing and create new affordable housing.

In addition to ensuring rental assistance is provided to our 63,000 families and seniors, major goals include:

- Giving families more options to increase their economic success by launching a down payment assistance option for the Choose to Own program and designing a safety net program for families who graduate from housing assistance.
- Rehabilitating and improving existing public housing properties, while also delivering new affordable housing units through new construction and PBV partnerships.
- Maintaining utilization of Housing Choice Vouchers at 95 percent or higher so families with rental subsidies are able to choose the communities where they want to live.
- Increasing professional and personal development opportunities for employees with enhanced benefits package and learning platform.

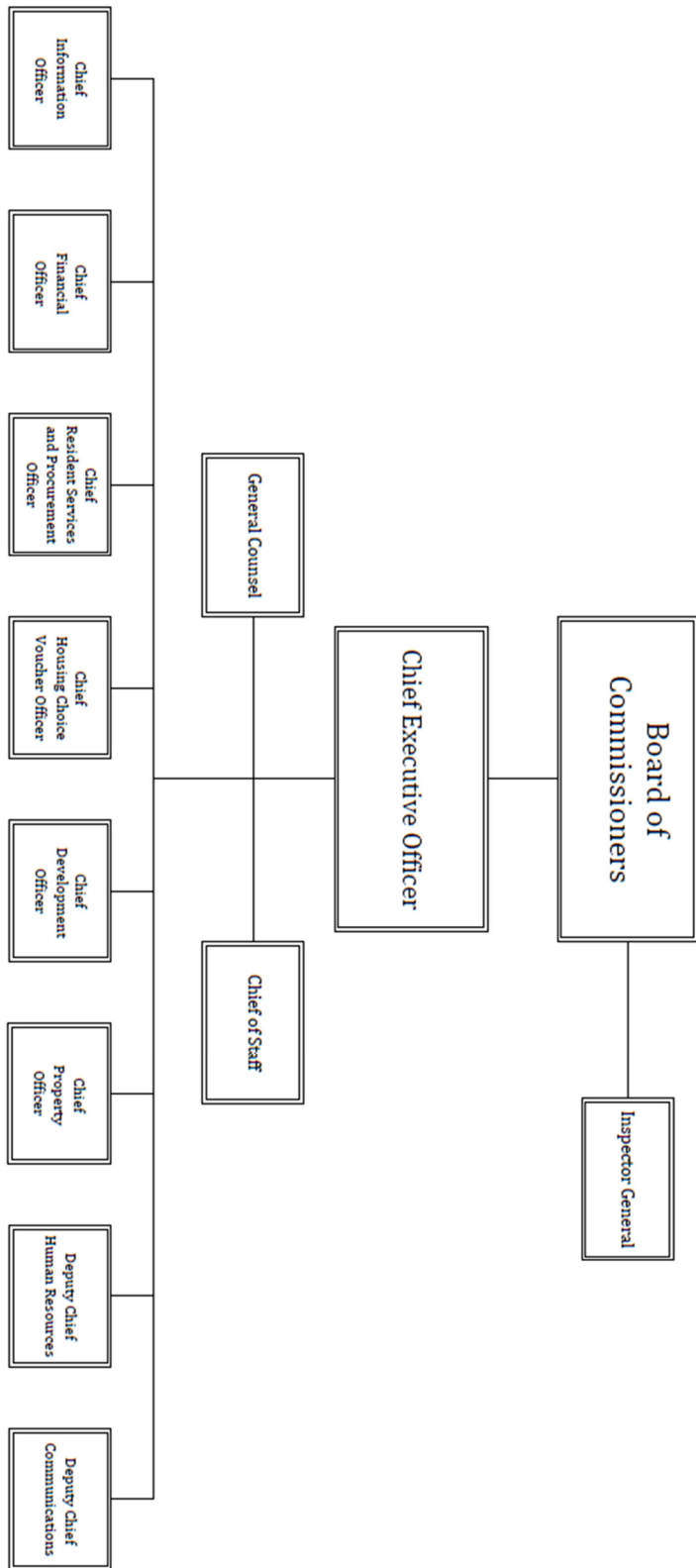
CHA's budget is balanced, and our overall fiscal position is solid. Our continued fiscal stewardship is demonstrated by the strong bond ratings and stable outlooks received from two rating agencies – Fitch Ratings and Standard & Poor's.

The strength of our communities depends on the availability of affordable, stable housing. Ultimately, the true reflection of the difference CHA makes is the success of CHA families and their ability to thrive, claim their own economic power and sustain a high quality of life.



Tracey Scott  
Chief Executive Officer

### ORGANIZATION CHART







## **GUIDE TO THE BUDGET**

### **FY2023 Comprehensive Budget**

The Chicago Housing Authority's (CHA) Annual Comprehensive Budget for Fiscal Year 2023 (FY2023) reflects the transformation of CHA's public housing portfolio through revitalization, rehabilitation, and investments in new developments. This budget is the recommended financial plan to inform the initiatives and policies of the CHA's Board of Commissioners. The year begins January 1, 2023 and ends December 31, 2023. The FY2023 Comprehensive Budget includes personnel and non-personnel line-item expenditure detail, financial summary tables, capital expenditures, and narrative overviews related to the Chicago Housing Authority's operations, as well as the CHA's programs and financial policies and procedures. Information is detailed in the sections that follow.

### **Letter from the Chief Executive Officer**

The message from CHA's Chief Executive Officer highlights the accomplishments of the past year as well as the new initiatives and expenditure plans for the coming year.

### **Organizational Chart and Structure**

This section presents a high-level summary of the organizational structure of the Chicago Housing Authority. CHA is organized by a total of 10 divisions. The Chief Executive Officer presides over the 10 divisions to ensure that initiatives are planned and prioritized appropriately and that such initiatives are consistent with the Authority's stated vision and goals. The Office of the Inspector General report directly to the Finance and Audit Committee of the Authority's Board. CHA is structured under the following divisions:

1. Executive Offices
2. General Counsel
3. Inspector General
4. Finance and Treasury
5. Human Resources
6. Information Technology
7. Property and Asset Management
8. Housing Choice Voucher
9. Resident Services
10. Development

A more detailed description of these divisions and their planned expenditures are shown in the "Division Detail" section

### **Strategic Plan Update**

This section includes descriptions of CHA's strategic priorities and goals. Consistent with long-term plans and commitments, CHA focuses on investments to revitalize and develop healthy, mixed-use, mixed-income communities; preservation of existing public housing; resident services and supports; and operational efficiencies and flexibility in a changing environment.

## **Budget Overview**

The Budget Overview summarizes the proposed budget and outlines the assumptions used in developing this document. Information is presented by major division. The Central Office Cost Center (COCC) is comprised of Executive Offices, General Counsel, Office of the Inspector General, Finance and Treasury, Human Resources, Information Technology, and administration staff of the Development, Property and Asset Management, and Resident Services divisions. General financial and programmatic information is also provided for each division.

## **Budget Process**

This section provides an overview of the process for preparing and distributing CHA's Comprehensive Budget. A timeline, depicting key dates along with an explanation of the process and deliverables, is included in this section.

## **Personnel Summary**

This section presents a 4-year high-level summary of personnel expenses and full-time equivalents (FTEs) by division. The data is presented in both a tabular and graphical format.

## **Fund Financial Summary**

The Fund Financial Summary provides the reader with an overview of the Authority's financial structure. The summary tables present revenue and expenditure detail, by funding source, as well as by functional and divisional expense categories.

## **Revenue Sources Summary**

This section explains the purpose of each funding source and indicates the percentage change from the prior year. A graphical and numerical depiction of revenue sources for FY2023 is included.

## **Capital and Development Budget**

The Capital and Development Budget Summary provides an overview of the revenue and expense components of the CHA's capital plans along with a 5-year capital model which forecasts capital expenditures by category.

## **Fund Equity Summary**

This section presents changes in equity from FY2022 and projected equity balances for all of the funding sources through the end of FY2023.

## **Long-Term Liability Summary**

This section details the CHA's outstanding debt and the associated current and long-term repayment requirements.

## **Financial Operating Policies & Procedures**

The financial operating policies and procedures that define the fiscal responsibilities of the Authority are

explained in this section. Internal control, budget, investment, audit, and debt procedures are reviewed in detail.

### **Division Summary**

This section provides an overview and description for each Division. The Division Summary also provides the four-year operating budget and staffing level data for each cost center within that Division.

### **Appendices:**

#### *Demographic and Statistical Information*

This section includes key statistics relating to CHA and its residents and participants.

#### *Glossary & Acronyms*

This section of the budget includes definitions of terms and acronyms used throughout this book.

#### *Other*

This section identifies other useful documents that provide financial, programmatic, and resource information which may be useful to the reader.

#### *Investment Policy*

CHA updated its Investment Policy which was approved by the Board on July 19, 2022.



## STRATEGIC PLAN

Chicago Housing Authority (CHA) provides housing assistance to 63,000 low-income families comprised of 131,000 individuals in Chicago, including the elderly, veterans and those in need of supportive housing. Through its traditional public housing, mixed-income developments, Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) programs, CHA offers housing options in every neighborhood in Chicago. Ninety-eight percent of CHA's funding is received from the U.S. Department of Housing and Urban Development (HUD). CHA is the third largest housing authority in the country and the largest owner of rental housing in Chicago.

In 2000, CHA was designated as a Moving to Work (MTW) agency by HUD and this designation has been extended through 2028. Participation in the MTW program affords CHA funding and operational flexibility to create innovative programs that meet local needs. Each year CHA must demonstrate that it achieves the three MTW statutory objectives:

- i. Increase housing choices for low-income families,
- ii. Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient,
- iii. Reduce costs and achieve greater cost effectiveness in federal expenditures.

In 2023, CHA will continue to serve more low-income families and seniors living in traditional CHA-owned and operated public housing developments as well as newer mixed-income communities. CHA will also serve families that utilize vouchers to rent in the private market (HCV and PBV programs) and in supportive housing which combines housing with support services. Through these programs, CHA fuels Chicago's rental market with over \$500 million annually in rental subsidy payments to 14,000 property owners in the HCV program. CHA has become an economic engine through its average annual investments of \$100 million in development of new units and capital rehab and repair projects. The FY2023 budget reflects CHA's continued commitment to quality affordable housing throughout Chicago.

Consistent with the MTW objectives and its MTW Annual Plan, CHA will focus on the following strategic pillars in operating the agency:

- 1) Reposition public housing model for 50-year sustainability.
- 2) Increase rental housing opportunities using public-private partnerships.
- 3) Increase affordable homeownership opportunities using public-private partnerships.
- 4) Align support services and programs with goals of self-reliance and economic power.
- 5) Drive operational excellence.

Since 2013, CHA has utilized HUD's Rental Assistance Demonstration (RAD) program to convert more than 5,000 units to RAD PBVs. CHA has been a leader in utilizing a new tool called "Faircloth-to-RAD" which allows CHA to create new units in mixed-income, third-party developments. These new units and funding are accretive to CHA's current funding. CHA expects to utilize this tool for most of its new construction partnerships.

In FY2023, CHA expects to deliver 284 units of housing through a combination of new construction, mixed-income public housing units and project-based voucher units. With its development partners, CHA will continue its redevelopment plans at major public housing sites including but not limited to Lathrop, LeClaire, Oakwood Shores, Park Boulevard, Parkside, Roosevelt Square, Southbridge and Westhaven, as well as renovating and expanding senior properties at Sheffield/Edith Spurlock Sampson, Albany Terrace and Irene McCoy Gaines through the RAD program. CHA's partners plan to begin construction on CHA's first two Faircloth-to-RAD projects.

In the Housing Choice Voucher (HCV) program, CHA will strengthen and expand relationships with property owners to facilitate a family's choice of quality housing. Additionally, CHA will fully deploy its 2022 allocations of new vouchers and special purpose/supportive housing vouchers such as the Emergency Housing Vouchers and Family Unification Program.

CHA is committed to ensuring that its existing housing portfolio is maintained to the highest standards. In FY2023, CHA will continue with capital projects at multiple properties, including major system repairs and clean energy upgrades.

CHA will continue to refine its programs and supports for CHA residents designed to help them improve their progression towards economic independence and graduation. Using a new family coaching model with key objectives, CHA will focus on the following impact areas: stability and quality of life; academic achievement; and economic power. Programs include career development for adults; summer job and educational opportunities for youth; afterschool activities and scholarships; an expanded homeownership program; meals and social events for senior residents. CHA will also expand its homeownership program options.

Though MTW allows flexible use of funds, CHA must be good stewards of funds and continue to innovate in its operation of the agency. In FY2023, CHA will drive towards operational excellence and efficiency by streamlining and standardizing processes as informed by best practices and its various stakeholders. Based on a business requirements analysis completed in FY2022, CHA will roll-out a new human resources and talent management platform and will begin the process for upgrading the Enterprise Resource Planning system to improve its delivery of services.

Chicago's legacy and reputation as one of the world's most livable cities is rooted in a tradition of diverse neighborhoods and a strong housing stock. Affordable housing is critical to this legacy, and the Chicago

Housing Authority plays a vital role in providing housing opportunities across the city. From new housing for seniors, veterans and families to rehabbed apartments across Chicago, CHA is building stronger communities and a better foundation for the future of all Chicagoans.





## BUDGET OVERVIEW

### INTRODUCTION

The Chicago Housing Authority (CHA) focuses on providing affordable housing in mixed-use, mixed-income settings for low-income families, seniors and people with disabilities. Critical to fulfilling its mission, CHA also provides opportunities and services to help residents improve their lives, which has spurred the revitalization of communities once dominated by CHA developments. CHA and the Department of Housing and Urban Development (HUD) signed the original Moving-to-Work (MTW) Agreement on February 6, 2000, that identified goals and laid the foundation transforming CHA developments into thriving communities. CHA's Amended and Restated MTW Agreement (MTW Agreement) with HUD was executed on June 26, 2008, and further extended on April 14, 2016, until 2028.

CHA continues to pursue the three statutory objectives of the MTW program through a variety of innovative program initiatives:

- MTW Statutory Objective I: Increase housing choices for low-income families.
- MTW Statutory Objective II: Give incentive to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.
- MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.

In June 2015, CHA received a Rental Assistance Demonstration (RAD) Program portfolio award and has since closed multiple transactions with more than 6,000 units being converted to PBV. In FY2023, CHA will continue to execute RAD PBV conversions for targeted properties, in order to preserve the long-term operation and affordability of CHA public housing properties.

CHA continues its focus on preservation and expansion of housing through public/private partnerships, while refining its services to promote resident self-sufficiency and quality of life.

### CHA Historical Revenue by Source (In Millions)

Funding Type	FY2020 Actuals	FY2021 Actuals	FY2022 Budget	FY2023 Budget	% Change From 2022
MTW Fund	\$847.3	\$874.5	\$1,009.5	\$995.2	-1.4%
Section 8 Fund (Non-MTW)	89.0	97.8	96.4	104.0	7.9%
Other Funds	108.1	14.3	109.6	96.0	-12.4%
<b>Total Funding</b>	<b>\$1,044.3</b>	<b>\$986.7</b>	<b>\$1,215.5</b>	<b>\$1,195.2</b>	<b>-1.7%</b>

### FY2023 REVENUE SUMMARY

Total revenues decreased by 1.7% overall primarily due to the decrease in Section 8 HAP and the use of capital sources to fund the FY2023 capital plan. The 1.4% decrease in the MTW Fund reflects the reduction in projected funding under HAP due to an assumption of higher vacancy allowance. The 7.9% growth in Section 8 Fund (Non-MTW) mainly reflects the increase in projected RAD revenues due to higher occupancy targets and the anticipated lease up of new units. Other Funds decreased by 12.4% due to

anticipated decreases in the use of RAD escrows/reserves and bond funds under the FY2023 capital plan.

Listed below are the assumptions utilized in calculating the FY2023 revenue projections by funding type:

### **MTW Single Fund**

The MTW Agreement between HUD and the CHA allows for the merging of funding from the Low-Income Public Housing Operating Fund, Capital Grant Fund, and the Section 8 Housing Choice Voucher (HCV) Program. Below are the assumptions used to estimate MTW Fund Revenues for FY2023.

- Section 8 (MTW) revenue is estimated at \$663.9 million for FY2023. The total amount includes: Housing Choice Voucher revenues of \$537.7 million, MTW Block Grant voucher revenues of \$73.9 million, administrative fee income of \$51.6 million and Port-In HAP \$637.2 thousand.
- Operating Subsidy is estimated at \$165.1 million. The projected number of units receiving HUD operating subsidy for FY2023 is 15,455, a decrease from the 15,930 units originally projected to be subsidized in FY2022. The decrease in units was primarily due to units transitioned into the RAD program. The subsidy is calculated using the following formula: the Allowable Expense Level, a simplified delta of 0.5%, an anticipated local inflation factor of 2.3%, an estimated FY2023 HUD Congressional Appropriation of 99.4%, and the RAD Adjustment Factor.
- The CHA's Capital Fund allocation is based on a formula determined by HUD and is subject to Congressional Appropriation. The CHA's projected FY2023 Capital Fund Program revenue amount is based on projected 2023 Capital Grant award (\$60 million) and the projected net carryover (\$37.7 million) remaining from prior years' Capital Grant funds.
- Projected Tenant Rent Income reflects the anticipated lease up of vacant units throughout the agency's portfolio at a target occupancy of 95%.
- Other sources include non-dwelling rental income and interest income.

### **Section 8 (Non-MTW) Fund**

The Section 8 (Non-MTW) revenue is comprised of the RAD, Emergency Housing, VASH, Mod Rehab, and Mainstream voucher programs. The programs consist of estimated revenues for housing assistance and administrative fees that the CHA earns to manage the programs. Below are the main assumptions used to calculate these programs' revenues.

- Approximately \$64.9 million of RAD voucher revenues. CHA will receive funding for 5,524 units that have transitioned through the end of 2022.
- Emergency Housing Voucher (EHV) funding is estimated at \$14.7 million. HUD awarded CHA 1,165 vouchers.
- VASH funding, estimated at \$11.4 million, reflects the anticipated usage of 1,094 vouchers.
- Mod Rehab funding, estimated at \$3.7 million, reflects the anticipated usage of 553 vouchers.
- Mainstream funding, estimated at \$2.6 million, reflects the anticipated usage of 238 vouchers.
- Other sources include administrative fee income, tenant rent income and interest income.

**Other Funds**

Other Funds primarily consist of third-party financing tools, interest income, and other miscellaneous income. Taxable and Tax-Exempt Bond and RAD Rental Assistance Payments (RAP) proceeds will be used to fund new construction projects, public housing rehab/repair work at various sites throughout the agency's portfolio, and RAD capital projects. Interest Income is estimated based on the average annualized portfolio balance and the projected rate of interest for the current year. Other sources of revenue include rooftop rentals, inspection fees, and various grants from City/State/Federal programs.

The Capital Budget for the year beginning January 1, 2023, and ending December 31, 2023, is \$190.2 million and includes \$30.3 million in debt service. The Capital Budget decreased from 2022 by \$31.4 million, or 14%, and reflects a focus on priority projects. Please see the Capital and Development budget section for more details.

**BUDGET BY PROGRAM**

The following table provides a summary of each of the major programs that CHA operates, including revenues and expenses that are attributable to those programs:

FY2023 REVENUES	CENTRAL						FY2023	FY2022 BOARD	Change
	OFFICE	PUBLIC HOUSING	MIXED FINANCE	RAD	HCV	CAPITAL	PROPOSED BUDGET	APPROVED BUDGET	
Housing Assistance				\$64,894,634	\$570,831,099		\$635,725,733	\$649,683,858	(\$13,958,125)
Operating Subsidy		135,747,327	29,409,721				165,157,048	157,965,656	7,191,392
Block Grant	42,603,942				31,300,796		73,904,738	71,805,677	2,099,061
Tenant Rent		33,065,896	10,528,956	13,342,714			56,937,566	57,874,814	(937,249)
Administrative Fees					60,966,450		60,966,450	54,175,114	6,791,336
CHA RAD LLC Management Fees	11,626,808						11,626,808	11,302,748	324,060
Non-CHA RAD LLC Management Fees	1,568,338						1,568,338	1,522,658	45,680
Resident Services Grants	2,196,282						2,196,282	2,195,654	628
Other Income	1,834,801	828,449		671,905	45,635		3,380,790	3,409,199	(28,409)
Interest Income	1,595,514	2,204,558	477,619	1,066,171	777,804		6,121,666	1,250,000	4,871,666
Capital Grant Funding						60,000,000	60,000,000	54,057,552	5,942,448
Other Capital Funds				5,386,696			9,734,696	4,348,000	9,734,696
Eliminate CHA LLC Payment to CHA							(11,626,808)	(11,302,748)	(324,060)
<b>TOTAL REVENUES</b>	<b>\$61,425,685</b>	<b>\$171,846,230</b>	<b>\$40,416,296</b>	<b>\$85,362,120</b>	<b>\$663,921,784</b>	<b>\$64,348,000</b>	<b>\$1,075,693,307</b>	<b>\$1,053,940,182</b>	<b>21,753,124</b>
<b>FY2023 EXPENSES</b>									
<b>ADMINISTRATIVE &amp; DEBT SERVICE</b>									
Central Office: Personnel	\$40,745,191	\$15,253,041			\$15,872,359		\$71,870,591	\$65,064,992	\$6,805,599
Central Office: Non-personnel	33,416,561				2,883,653		36,300,214	32,129,586	4,170,628
Debt Service: To 3rd Party	\$28,586,279			\$1,702,886			\$30,289,165	\$30,272,719	16,446
Debt Service: CHA LL to CHA	(6,121,685)			6,121,685			\$0	\$0	-
<b>Subtotal - Administrative and Debt Service</b>	<b>\$96,626,345</b>	<b>\$15,253,041</b>	<b>\$0</b>	<b>\$7,824,571</b>	<b>\$18,756,012</b>	<b>\$0</b>	<b>\$138,459,969</b>	<b>\$127,467,297</b>	<b>10,992,672</b>
<b>OPERATING</b>									
Voucher expense				\$26,946,520	\$574,205,519		\$601,152,039	\$615,339,694	(\$14,187,655)
Voucher administration					24,963,738		24,963,738	24,671,216	292,522
Property operating expenses		170,681,839	28,828,595	41,471,458			240,981,893	225,539,158	15,442,735
Resident Services - contracted services		14,873,577				14,873,577	29,747,153	31,189,888	(1,442,735)
CHA management fees (RAD)					11,626,808		11,626,808	11,302,748	324,060
Eliminate CHA LLC Payment to CHA							(11,626,808)	(11,302,748)	(324,060)
<b>Subtotal - Operating Expenses</b>	<b>\$0</b>	<b>\$185,555,416</b>	<b>\$28,828,595</b>	<b>\$80,044,786</b>	<b>\$614,042,834</b>	<b>\$0</b>	<b>\$896,844,823</b>	<b>\$896,739,956</b>	<b>\$104,867</b>
<b>TOTAL EXPENSES</b>	<b>\$96,626,345</b>	<b>\$200,808,457</b>	<b>\$28,828,595</b>	<b>\$87,869,357</b>	<b>\$632,798,846</b>	<b>\$0</b>	<b>\$1,035,304,792</b>	<b>\$1,024,207,253</b>	<b>\$11,097,539</b>
<b>NET OPERATING INCOME/(LOSS)</b>	<b>(\$35,200,660)</b>	<b>(\$28,962,226)</b>	<b>\$11,587,701</b>	<b>(\$2,507,238)</b>	<b>\$31,122,938</b>	<b>\$64,348,000</b>	<b>\$40,388,515</b>	<b>\$29,732,929</b>	<b>\$10,655,585</b>
<b>CAPITAL EXPENDITURES</b>									
New Construction						\$66,445,827	\$66,445,827	\$76,769,000	(\$10,323,173)
Public Housing Preservation						57,205,000	57,205,000	58,837,000	(1,632,000)
RAD				36,236,902			36,236,902	55,707,000	(19,470,098)
<b>Subtotal - Capital Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$36,236,902</b>	<b>\$0</b>	<b>\$123,650,827</b>	<b>\$159,887,729</b>	<b>\$191,313,000</b>	<b>(\$31,425,271)</b>
<b>TOTAL EXPENSES AND CAPITAL EXPENDITURES</b>							<b>\$1,195,192,521</b>	<b>\$1,215,520,253</b>	<b>(20,327,732)</b>
<b>FUNDS ACCUMULATED FROM PRIOR YEARS</b>									
Capital Grant Funding		22,731,800				15,001,331	37,733,131	47,458,448	(\$9,725,317)
Other Capital Funds						6,200,035	6,200,035	3,070,000	3,130,035
Bonds - taxable				8,448,515		9,061,000	17,509,515	36,123,987	(18,614,472)
Bonds - tax exempt						28,012,000	28,012,000	24,629,000	3,383,000
RAD capital escrow / reserve				23,430,152			23,430,152	36,039,013	(12,608,861)
CARES Act - HCV Admin Funds							-	-	-
Prior Year Block Grant	6,084,381						6,084,381	13,959,623	(7,875,242)
Workforce and Education Fund	530,000						530,000	300,000	230,000
<b>Total Use of Funds From Prior Years</b>	<b>\$6,614,381</b>	<b>\$22,731,800</b>	<b>\$0</b>	<b>\$31,878,667</b>	<b>\$0</b>	<b>\$58,274,366</b>	<b>\$119,499,214</b>	<b>\$161,580,071</b>	<b>(\$42,080,857)</b>
<b>FY2023 SURPLUS/(SHORTFALL)</b>	<b>(\$28,586,279)</b>	<b>(\$6,230,426)</b>	<b>\$11,587,701</b>	<b>(\$6,865,473)</b>	<b>\$31,122,938</b>	<b>(\$1,028,461)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENSE CATEGORIES**

The CHA's budget is organized into ten divisions: Executive Office, General Counsel, Inspector General, Finance and Treasury, Human Resources, Information Technology, Property and Asset Management, Housing Choice Voucher, Resident Services, and Development. Presented below are the divisional cost trends for FY2020, FY2021, FY2022 and FY2023.

CHA worked diligently to develop a fiscally sound budget that addresses the continued social and economic conditions impacting both government and private entities nationwide.

Each of the division sections' historical actuals (FY2020 and FY2021) and budgeted (FY2022 and FY2023) non-personnel and personnel costs are described below:

**EXECUTIVE OFFICE**

Executive Office consists of costs associated with the overall management, and accountability of the Authority, including the effective implementation of policies approved by the Board of Commissioners and the coordination and monitoring of all department activities while ensuring that program goals and objectives are attained. Total Executive Office Division expenses represent approximately 1.4% of the total \$1.2 billion budget.

For FY2023, there is a 6.1% increase in overall expenses. Non-personnel expenses increased by 1.7% due to annual contractual rent increases and computer expenses. Personnel expenses grew by 17.1% primarily due to organizational shifts and increases in performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>EXECUTIVE OFFICES</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>Change</b>
<b>Non-Personnel Costs</b>	\$1,909,625	\$8,402,142	\$11,308,454	\$11,496,854	1.7%
<b>Personnel Costs</b>	3,789,068	3,912,825	4,603,191	5,391,550	17.1%
<b>TOTAL EXECUTIVE OFFICES</b>	<b>\$5,698,693</b>	<b>\$12,314,967</b>	<b>\$15,911,645</b>	<b>\$16,888,404</b>	<b>6.1%</b>

**GENERAL COUNSEL**

General Counsel consists of costs directly related to legal and policy-related advice and counsel provided to the Board of Commissioners and Management on a wide variety of business, operational and legal issues. Total General Counsel Division expenses represent approximately 0.7% of the \$1.2 billion budget.

For FY2023, there is a 13.5% increase in overall expenses. Non-personnel expenses grew by 16.9% due to increases in consultant fees, outside counsel, court costs, and reporting fees. Personnel expenses grew by 12.6% due to promotions and increases in performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>GENERAL COUNSEL</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$819,891	\$613,460	\$1,473,355	\$1,722,500	16.9%
<b>Personnel Costs</b>	4,526,754	4,696,483	5,532,219	6,230,316	12.6%
<b>TOTAL GENERAL COUNSEL</b>	<b>\$5,346,645</b>	<b>\$5,309,943</b>	<b>\$7,005,574</b>	<b>\$7,952,816</b>	<b>13.5%</b>

**INSPECTOR GENERAL**

Inspector General consists of costs directly related to independent oversight of CHA programs through criminal and administrative investigations, reviews, and audits. The Inspector General's Division expenses represent approximately 0.2% of the \$1.2 billion budget.

For FY2023, there is a 9.3% increase in overall expenses. Non-personnel expenses decreased by 7.6% due to reductions in auditing, printing, office supplies, and court costs. Personnel expenses grew by 10.3% due to increases in performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>INSPECTOR GENERAL</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$20,564	\$27,936	\$102,800	\$95,000	-7.6%
<b>Personnel Costs</b>	1,258,763	1,338,272	1,738,876	1,918,109	10.3%
<b>TOTAL INSPECTOR GENERAL</b>	<b>\$1,279,327</b>	<b>\$1,366,208</b>	<b>\$1,841,676</b>	<b>\$2,013,109</b>	<b>9.3%</b>

**FINANCE AND TREASURY**

Finance and Treasury consists of costs associated with the accounting, budgeting, banking, cash management, and investment activities for the CHA. The Finance and Treasury Division expenses represent approximately 1.1% of the \$1.2 billion budget.

For FY2023, there is a 13.5% decrease in overall expenses. Non-personnel expenses decreased by 40.2% primarily due to the reduction in agency contingency. Personnel expenses increased by 13.6% due to the addition of 2 FTEs and performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>FINANCE AND TREASURY</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$701,788	\$798,002	\$7,609,195	\$4,547,800	-40.2%
<b>Personnel Costs</b>	7,768,843	7,190,911	7,472,996	8,491,944	13.6%
<b>TOTAL FINANCE AND TREASURY</b>	<b>\$8,470,631</b>	<b>\$7,988,913</b>	<b>\$15,082,191</b>	<b>\$13,039,744</b>	<b>-13.5%</b>

**HUMAN RESOURCES**

Human Resources consists of costs associated with risk management, professional learning, and human resources. This division's expenses represent approximately 0.5% of the \$1.2 billion budget.

For FY2023, there is a 6.1% increase in overall expenses. Non-personnel expenses increased by 22.3% primarily due to increases in staff training and consultant fees. Personnel expenses decreased by 3.6% due to the reduction of 4 FTEs.

**EXPENSE BUDGET**

<b>HUMAN RESOURCES</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$1,748,788	\$2,088,920	\$1,953,911	\$2,389,100	22.3%
<b>Personnel Costs</b>	2,763,499	2,564,616	3,274,823	3,158,512	-3.6%
<b>TOTAL HUMAN RESOURCES</b>	<b>\$4,512,288</b>	<b>\$4,653,536</b>	<b>\$5,228,734</b>	<b>\$5,547,612</b>	<b>6.1%</b>

**INFORMATION TECHNOLOGY**

Information Technology Services costs are associated with providing all technical resources necessary for the CHA divisions to operate effectively. The Information Technology Division's expenses represent approximately 1.4% of the \$1.2 billion budget.

For FY2023, there is a 26.5% increase in overall expenses. Non-personnel expenses grew by 37.6% primarily due to increases in professional services fees and ordinary maintenance contract costs. Personnel expenses increased by 7.7% primarily due to increases in performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>INFORMATION TECHNOLOGY SERVICES</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$10,796,903	\$8,803,323	\$8,175,367	\$11,249,252	37.6%
<b>Personnel Costs</b>	4,281,309	4,396,462	4,841,880	5,213,586	7.7%
<b>TOTAL INFORMATION TECHNOLOGY SERVICES</b>	<b>\$15,078,212</b>	<b>\$13,199,785</b>	<b>\$13,017,247</b>	<b>\$16,462,837</b>	<b>26.5%</b>

**PROPERTY AND ASSET MANAGEMENT**

Property and Asset Management consists of costs associated with oversight of the management and operations of CHA’s property-based investments. The Property and Asset Management Division expenses represent approximately 21.9% of the \$1.2 billion budget.

For FY2023, there is an 8.3% increase in overall expenses. Non-personnel expenses increased by 8.1% primarily due to the rise in property operating expenses, including utilities. Personnel expenses increased by 12.0% due to increases in performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>PROPERTY AND ASSET MANAGEMENT</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$207,387,873	\$191,040,260	\$228,051,978	\$246,496,729	8.1%
<b>Personnel Costs</b>	14,618,403	12,150,623	13,621,088	15,253,041	12.0%
<b>TOTAL PROPERTY AND ASSET MANAGEMENT</b>	<b>\$222,006,276</b>	<b>\$203,190,882</b>	<b>\$241,673,066</b>	<b>\$261,749,770</b>	<b>8.3%</b>

**HOUSING CHOICE VOUCHER**

Housing Choice Voucher (HCV) costs are associated with administration and management of the Housing Choice Voucher Program, Project-Based Vouchers (PBV) and other voucher programs. The Housing Choice Voucher Division expenses represent approximately 52.8% of the \$1.2 billion budget.

For FY2023, there is a 2.1% decrease in overall expenses. Non-personnel expenses decreased by 2.1% primarily due to an assumption for vacancy allowance; Personnel expenses increased by 8.4% primarily due to increases in performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>HOUSING CHOICE VOUCHER</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$567,865,619	\$601,029,584	\$640,125,990	\$626,511,045	-2.1%
<b>Personnel Costs</b>	3,670,361	3,542,484	4,037,394	4,376,675	8.4%
<b>TOTAL HOUSING CHOICE VOUCHER</b>	<b>\$571,535,980</b>	<b>\$604,572,068</b>	<b>\$644,163,384</b>	<b>\$630,887,720</b>	<b>-2.1%</b>

**RESIDENT SERVICES**

Resident Services consists of costs associated with supporting resident initiatives and connecting residents with programs and services that support their education, health, and path toward self-sufficiency. The Resident Services Division expenses represent approximately 3.9% of the \$1.2 billion budget.

For FY2023, there is a 1.8% increase in overall expenses. Non-personnel expenses decreased by 4.4% primarily due to planned decreases in tenant service-related contracts and the transfer of the moving services budget to the Property & Asset Management division. Personnel expenses increased by 14.8%



mainly due to the addition of 6 FTEs, as well as increases in performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>RESIDENT SERVICES</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$30,155,674	\$28,800,251	\$31,444,528	\$30,049,643	-4.4%
<b>Personnel Costs</b>	15,088,946	14,060,925	15,019,561	17,249,857	14.8%
<b>TOTAL RESIDENT SERVICES</b>	<b>\$45,244,620</b>	<b>\$42,861,175</b>	<b>\$46,464,089</b>	<b>\$47,299,500</b>	<b>1.8%</b>

**DEVELOPMENT**

Development consists of costs associated with partnering with private firms to create mixed-income developments, often on former public housing sites, and managing the RAD program. The Development Division’s operating expenses represent 0.4% of the \$1.2 billion budget.

For FY2023, there is a 7.1% decrease in overall expenses. Non-personnel decreased by 11.3% primarily due to reductions in contracts costs. Personnel expenses decreased by 6.8% mainly due to the net reduction of 5 FTEs.

**EXPENSE BUDGET**

<b>DEVELOPMENT</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$33,343	\$84,530	\$326,850	\$290,000	-11.3%
<b>Personnel Costs</b>	3,891,223	5,286,113	4,922,964	4,587,001	-6.8%
<b>TOTAL DEVELOPMENT</b>	<b>\$3,924,566</b>	<b>\$5,370,643</b>	<b>\$5,249,814</b>	<b>\$4,877,001</b>	<b>-7.1%</b>

**CAPITAL AND DEBT**

Capital and debt related expenditures are associated with new construction, significant rehabilitation and capital maintenance projects. Capital and debt related expenditures represent 15.7% of the \$1.2 billion budget.

The 14.3% decrease is due to planned capital maintenance, new development, and RAD projects for FY2023.

<b>CAPITAL AND DEBT</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$138,022,197	\$95,357,565	\$221,585,719	\$190,176,894	-14.2%
<b>TOTAL CAPITAL AND DEBT</b>	<b>\$138,022,197</b>	<b>\$95,357,565</b>	<b>\$221,585,719</b>	<b>\$190,176,894</b>	<b>-14.2%</b>

**COMBINED NON-PERSONNEL & PERSONNEL EXPENDITURES**

The table below summarizes the non-personnel and personnel spending trends for all expenses from FY2020 through FY2023. Overall, the FY2023 budget decreased by 1.7% when compared to FY2022. The 2.4% decrease in non-personnel is primarily driven by the reduction in planned capital projects and an increase in vacancy assumptions. Personnel expenses increased by 10.5% primarily due to the increases in performance incentives and benefits costs.

**EXPENSE BUDGET**

<b>COMBINED</b>	<b>FY2020 Actuals</b>	<b>FY2021 Actuals</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>% Change</b>
<b>Non-Personnel Costs</b>	\$959,462,265	\$937,045,973	\$1,150,455,261	\$1,123,321,931	-2.4%
<b>Personnel Costs</b>	61,657,169	59,139,713	65,064,992	71,870,591	10.5%
<b>TOTAL COMBINED</b>	<b>\$1,021,119,434</b>	<b>\$996,185,686</b>	<b>\$1,215,520,253</b>	<b>\$1,195,192,521</b>	<b>-1.7%</b>

## BUDGET PROCESS

The preparation of the annual budget is the culmination of a five-month budget process, which begins in July and ends in November. The CHA utilizes the “W” process, which includes both top-down and bottom-up approaches to budgeting.

### Revenue Budget

Revenue forecasts are generated in July. It includes projections for the inflation factor as well as Congressional appropriation estimates in the MTW Single Fund (Operating, Capital, and Section 8 Funds). This forecast also includes revenue projections for the remainder of CHA’s funding sources (Non-MTW Section 8 and Other funds).

### Kick Off: Guiding Principles and Key Assumptions

Budget kick-off meeting with the Executive Leadership team occurs in August, with the distribution of the guiding principles and key assumptions, as well as the overall budget timeline with milestones.

Guiding principles of the 2023 budget are as follows:

- Budget continues to reflect CHA’s priorities to reinvest in its public housing stock
- Seek innovation and effectiveness
- Realistic spending plan for capital and other expenses
- Organized by line of business - match expenses to cost generator
- Talent retention driving compensation package
- HUD proration reflects near-full congressional appropriation

Global assumptions of the 2023 budget include the following categories:

- HCV – utilization, new vouchers, ports, turnover, contracts
- Public Housing – occupancy, turnover, collections, capital maintenance
- New construction – RAD, PBV, Public Housing
- Resident services – billing, allocation to properties
- Personnel – performance incentives, benefits

Each Division Chief is given a due date to submit their proposed 2023 budget in September, along with goals for 2023.

The Property and Asset Management (PAM) division works with Private Property Management companies to develop detailed property operating budgets. The Office of Budget Management (OBM) actively participates in this process.

The Development and PAM divisions analyze and update their capital plans. This process is covered in more detail in the capital section.

OBM works closely with HR, who in turn works with each division Chief, to finalize the personnel roster for 2023.

Personnel and non-personnel budgets with line-item detail are submitted electronically to OBM.

## **The Review Process**

After OBM receives each Division's budget proposal, every budget line item, in every cost center, is reviewed against historical actuals and current year spend. Material increases and decreases are substantiated and/or verified. Adjustments are proposed in the areas that do not have appropriate justifications for requested funding. These recommendations are presented to the Chief Financial Officer for review and approval before they are sent to the Division Chiefs. Division Chiefs then respond to these proposed recommendations.

## **Preliminary Budget**

The Chief Executive Officer and leadership team are presented with the consolidated budget recommendations in October. Additional adjustments are made to reflect any requested changes in the budget. The final budget recommendations become the official FY2023 preliminary budget and become a part of the FY2023 Draft MTW Annual Plan, which includes a Sources and Uses schedule that follows HUD's format. Any expected operating shortfalls will be funded with funds received from prior years (drawing from the balance sheet).

## **Budget Briefing**

The preliminary budget is presented to Board members through a series of budget briefings in October/November. OBM staff then prepares the draft Comprehensive Budget document. The Budget includes an all-funds revenue summary, detailed expenditures by cost center, financial summaries and a comparison of the last three years of financial data for the Authority. A summary presentation of this document is presented to the Board of Commissioners Finance Committee. The presentation provides a general overview of the budget highlighting differences between the FY2022 budget and the proposed FY2023 budget.

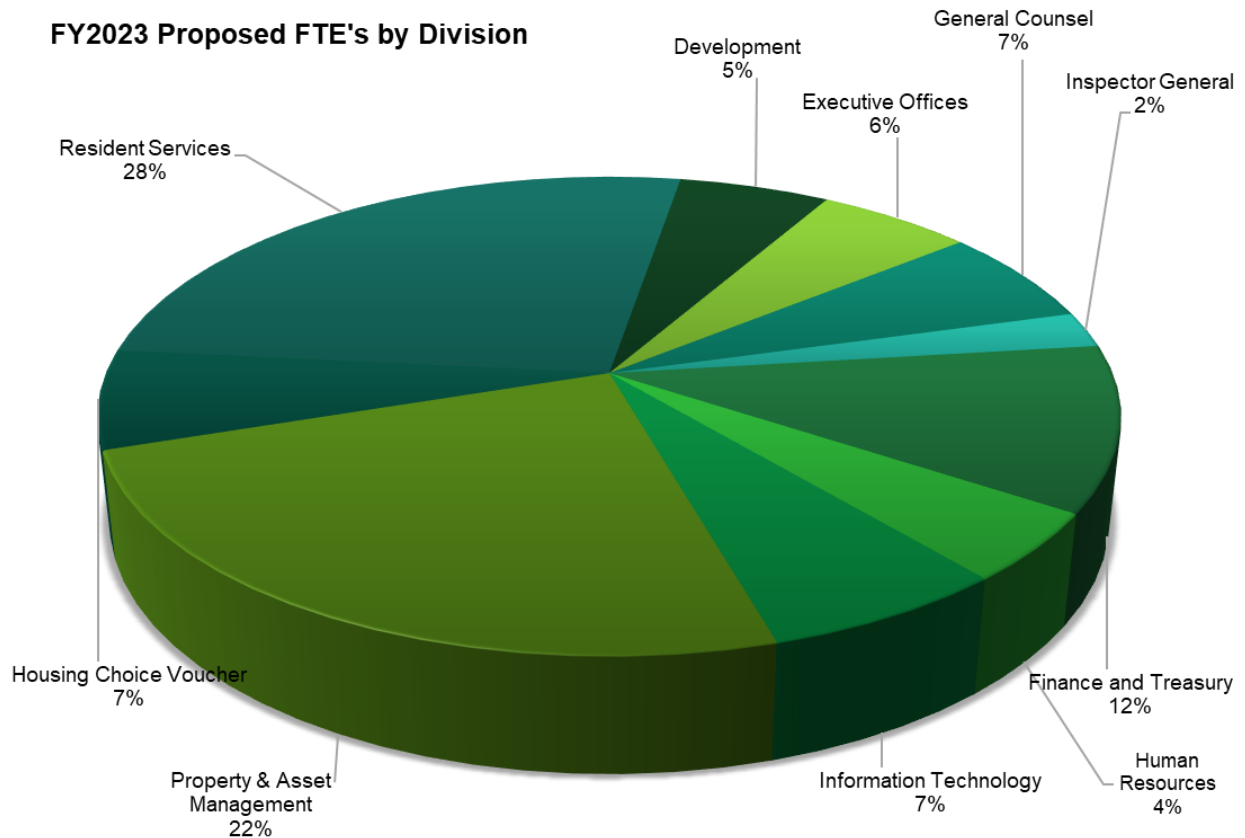
## **Budget Approval**

The Comprehensive Budget document is presented to the Board of Commissioners for approval in November. After any changes or amendments requested by the Board, the document is approved and adopted by the Board. Required budget documents are sent to HUD prior to year-end.

### PERSONNEL SUMMARY

The FY2023 proposed staffing levels for CHA will be reduced by 20.0 FTEs, mostly long-term vacancies, from the FY2022 budget level of 583 to 563. Total personnel costs are estimated at \$71.9 million, which represents a 10.5% increase from FY2022, due primarily to increases in performance incentives and benefits costs.

Division	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 BUDGET FTE	FY2023 BUDGET FTE	Change From Prior Year Budget
Executive Office	34.0	36.0	34.0	36.0	2.0
General Counsel	34.5	35.0	38.0	37.0	(1.0)
Inspector General	12.0	11.0	14.0	14.0	-
Finance and Treasury	69.0	66.5	65.0	67.0	2.0
Human Resources	60.5	29.0	27.0	23.0	(4.0)
Information Technology	39.0	39.0	39.0	38.0	(1.0)
Property & Asset Management	173.5	137.0	142.0	124.0	(18.0)
Housing Choice Voucher	40.0	39.0	39.0	38.0	(1.0)
Resident Services	166.0	156.0	152.0	158.0	6.0
Development	23.0	42.0	33.0	28.0	(5.0)
<b>Total</b>	<b>651.5</b>	<b>590.5</b>	<b>583.0</b>	<b>563.0</b>	<b>(20.0)</b>



Division	FY2020 Actual	FY2021 Actual	FY2022 Budget	FY2023 Proposed	% Change From Prior Year Budget
Executive Office	\$3,789,068	\$3,912,825	\$4,603,191	\$5,391,550	17.1%
General Counsel	4,526,754	4,696,483	5,532,219	6,230,316	12.6%
Inspector General	1,258,763	1,338,272	1,738,876	1,918,109	10.3%
Finance and Treasury	7,768,843	7,190,911	7,472,996	8,491,944	13.6%
HR & Administration	2,763,499	2,564,616	3,274,823	3,158,512	-3.6%
Information Technology	4,281,309	4,396,462	4,841,880	5,213,586	7.7%
Property & Asset Management	14,618,403	12,150,623	13,621,088	15,253,041	12.0%
Housing Choice Voucher	3,670,361	3,542,484	4,037,394	4,376,675	8.4%
Resident Services	15,088,946	14,060,925	15,019,561	17,249,857	14.8%
Development	3,891,223	5,286,113	4,922,964	4,587,000	-6.8%
<b>Total</b>	<b>\$61,657,169</b>	<b>\$59,139,713</b>	<b>\$65,064,992</b>	<b>\$71,870,591</b>	<b>10.5%</b>

**Executive Office**

The Executive Offices Division includes Office of the Chief Executive Officer, Board of Commissioners, Government and External Affairs, Strategy & Insights, Internal Audit, Communications & Marketing, and HQ Facilities. This division directs the policy for the CHA, oversees day to day operations, and determines management priorities. The FTE count for this division is expected to increase by 2.0, and personnel costs will increase by \$788,359, or 17.1%.

**General Counsel**

The General Counsel Division’s responsibilities include providing legal advice and counsel to the CHA. This division also houses the EEO/Ethics Officer. The FTE count for this division is expected to decrease by 1.0, and personnel costs will increase by \$698,097, or 12.6%.

**Inspector General**

The Inspector General Division provides independent oversight over CHA programs through criminal and administrative investigations, reviews, and audits. The division’s FTE count is projected to stay the same, with personnel costs increasing by \$179,233, or 10.3%.

**Finance and Treasury**

The Finance and Treasury Division includes the Office of the Chief Financial Officer, Budget & Management, Comptroller, and Treasury. This division is responsible for ensuring the financial stability of the CHA along with cash management. The division’s FTEs are projected to increase by 2.0, with personnel costs increasing by \$1,018,948, or 13.6%.

**Human Resources**

The Human Resources Division includes Risk Management, Professional Learning, Diversity & Inclusion, and Human Resources. The FTEs in this division are expected to decrease by 4.0, with personnel costs decreasing by \$116,311, or 3.6%.

**Information Technology**

The Information Technology Division is responsible for providing the CHA with all technical resources necessary to operate effectively. The division’s FTEs are projected to decrease by 1.0, with personnel costs increasing by \$371,706, or 7.7%.

**Property & Asset Management**

The Property & Asset Management Division includes Asset Management and Operations; Housing Policy & Occupancy; Safety & Security; Planning, Construction Management & Building Operations; and Non-Residential/Vacant Land Management. This division is responsible for overseeing the operations and compliance of CHA's portfolio. The FTEs in this division are projected to decrease by 18.0, with personnel costs increasing by \$1,631,953, or 12.0%.

**Housing Choice Voucher**

The Housing Choice Voucher Division includes the Housing Choice Voucher staff and outsourced services. This division is responsible for oversight and management of the Housing Choice Voucher Section 8 Program. The FTEs in this division are expected to decrease by 1.0 in FY2023, with personnel costs increasing by \$339,281, or 8.4%.

**Resident Services**

The Resident Services Division includes Resident Services, Procurement, Central Advisory Council, and Resident Services Contracts. This division is responsible for the oversight of all resident and supportive services programs and the procurement of goods and services that support the needs of all departments. The division's FTEs are projected to increase by 6.0, with personnel costs increasing by \$2,230,296, or 14.8%.

**Development**

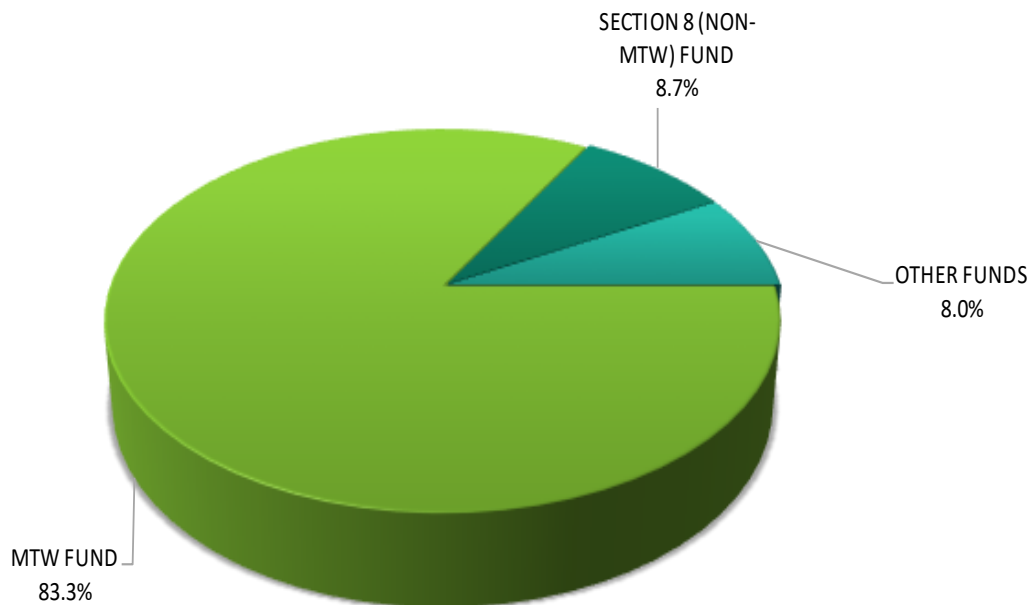
The Development Division includes Development Management and Rental Assistance Demonstration (RAD) Management. This division is responsible for mixed finance development, as well as converting properties into the RAD program. The FTEs in this division are expected to decrease by 5.0, with personnel costs decreasing by \$335,964, or 6.8%.

## FUND FINANCIAL SUMMARY

CHA primarily manages two funds: the Enterprise Fund and the Fiduciary Fund, which is the CHA Employee's Retirement Trust Fund that is separately managed and operated. The Fiduciary Fund is not included in this Annual Budget.

All record-keeping of the Authority's program activity is organized based on Fund Accounting. The Enterprise Fund reflects programs that provide services to residents, those used for housing operations, and those related to capital improvement activities. The Enterprise Fund is considered a single accounting entity. The operation of this fund is recorded using a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues, and expenditures. CHA resources are allocated to and accounted for in the Enterprise Fund based upon the purposes for which they will be spent and how spending activity is controlled. The Authority's accounting system maintains records that conform to Generally Accepted Accounting Principles (GAAP) for an Enterprise Fund.

The Enterprise Fund is comprised of the MTW Fund, Section 8 (Non-MTW), and Other Funding Programs. The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises. Alternatively, the Board of Commissioners may decide that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The principal revenue and expense activity of the CHA occurs in the Enterprise Fund. Operating activity primarily includes the administrative and maintenance functions of managing the CHA's rental properties and the distribution and administration of housing vouchers. The following pages present budget information related to the Authority's Enterprise Fund combined, as well as information related to each of the separate funding programs that make up the Enterprise Fund.





ENTERPRISE FUND COMBINED

	<u>FY2020 Actuals</u>	<u>FY2021 Actuals</u>	<u>FY2022 Budget</u>	<u>FY2023 Budget</u>	<u>% Change Prior Year</u>	<u>% of Total</u>
<b>REVENUES</b>						
HAP and Admin Fees	\$627,397,847	\$644,972,895	\$710,988,350	\$699,429,453	-1.6%	65.0%
Operating Subsidy	153,212,608	157,041,396	157,965,656	165,157,048	4.6%	15.4%
RAD Vouchers and Admin Fees	57,480,549	67,647,356	64,675,672	71,167,466	10.0%	6.6%
Capital Grants	0	283,241	54,057,552	60,000,000	11.0%	5.6%
Tenant Rent	48,139,753	37,055,988	57,874,814	56,937,566	-1.6%	5.3%
Non-CHA RAD LLC Chargebacks	0	187,941	1,522,658	1,568,338	3.0%	0.1%
CARES Act Funds	27,960,071	2,548,289	0	0	0.0%	-
RAD RAP and Other Capital Funds	0	0	0	9,734,696	--	0.9%
Other	12,806,727	9,240,977	6,854,853	11,698,736	70.7%	1.1%
<b>TOTAL CURRENT YEAR REVENUES</b>	<b>\$926,997,554</b>	<b>\$918,978,083</b>	<b>\$1,053,939,555</b>	<b>\$1,075,693,303</b>	<b>2.1%</b>	<b>100.0%</b>
<b>EXPENDITURES</b>						
<b>OPERATING</b>						
<b>CENTRAL OFFICE</b>						
Executive Office	\$5,698,693	\$12,314,967	\$15,911,645	\$16,888,404	6.1%	15.6%
General Counsel	5,346,645	5,309,943	7,005,574	7,952,816	13.5%	7.4%
Inspector General	1,279,327	1,366,208	1,841,676	2,013,109	9.3%	1.9%
Finance and Treasury	8,470,631	7,988,913	15,082,191	13,039,744	-13.5%	12.1%
HR & Administration	4,512,288	4,653,536	5,228,734	5,547,612	6.1%	5.1%
Information Technology Services	15,078,212	13,199,785	13,017,247	16,462,837	26.5%	15.2%
Property and Asset Management	15,677,246	14,627,609	16,240,268	19,064,991	17.4%	17.6%
Housing Choice Voucher	4,139,428	3,622,797	4,152,474	4,771,943	14.9%	4.4%
Resident Services	15,552,772	14,773,645	15,274,201	17,552,347	14.9%	16.2%
Development	3,924,566	5,370,643	5,249,814	4,877,001	-7.1%	4.5%
<b>TOTAL CENTRAL OFFICE</b>	<b>\$79,679,808</b>	<b>\$83,228,046</b>	<b>\$99,003,824</b>	<b>\$108,170,804</b>	<b>9.3%</b>	<b>100.0%</b>
<b>OPERATIONS</b>						
Housing Choice Voucher	\$567,396,553	\$600,949,271	\$640,010,910	\$626,115,777	-2.2%	69.8%
Property and Asset Management	204,872,900	187,237,028	223,729,912	240,981,893	7.7%	26.9%
Resident Services	29,691,848	28,087,531	31,189,888	29,747,153	-4.6%	3.3%
<b>TOTAL OPERATIONS</b>	<b>\$801,961,300</b>	<b>\$816,273,829</b>	<b>\$894,930,710</b>	<b>\$896,844,823</b>	<b>0.2%</b>	<b>100.0%</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$45,356,446</b>	<b>\$19,476,208</b>	<b>\$60,005,021</b>	<b>\$70,677,676</b>	<b>17.8%</b>	
<b>CAPITAL &amp; DEBT SERVICE</b>						
Development	\$46,664,661	\$38,196,916	\$76,769,000	\$66,445,827	-13.4%	34.9%
Public Housing - Rehab/Repair	15,480,953	14,440,536	58,837,000	57,205,000	-2.8%	30.1%
RAD	48,489,333	15,393,219	55,707,000	36,236,902	-35.0%	19.1%
Debt Service	28,843,380	28,653,141	30,272,719	30,289,165	0.1%	15.9%
<b>TOTAL CAPITAL &amp; DEBT SERVICE</b>	<b>\$139,478,327</b>	<b>\$96,683,810</b>	<b>\$221,585,719</b>	<b>\$190,176,894</b>	<b>-14.2%</b>	<b>100.0%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,021,119,437</b>	<b>\$996,185,686</b>	<b>\$1,215,520,253</b>	<b>\$1,195,192,521</b>	<b>-1.7%</b>	<b>100.0%</b>
<b>TOTAL INCOME/(LOSS)</b>	<b>(\$94,121,883)</b>	<b>(\$77,207,603)</b>	<b>(\$161,580,698)</b>	<b>(\$119,499,218)</b>		
<b>FUNDS ACCUMULATED FROM PRIOR YEARS</b>						
RAD Capital Escrow Reserves	\$2,838,724	\$0	\$36,039,013	\$23,430,152	-35.0%	19.6%
Block Grant	0	0	13,960,250	6,084,385	-56.4%	5.1%
Tenant Rent Reserves	9,506,687	9,234,653	0	0	0.0%	-
Capital Grants/MTW	31,228,110	38,848,201	47,458,448	37,733,131	-20.5%	31.6%
Other Funds - Capital	7,255,744	2,587,549	3,070,000	6,200,035	102.0%	5.2%
Bonds - Taxable	21,909,864	1,138,214	36,123,987	17,509,515	-51.5%	14.7%
Bonds - Tax Exempt	15,592,076	156,293	24,629,000	28,012,000	13.7%	23.4%
Third Party Financing - LIHTC	28,988,580	0	0	0	0.0%	-
CARES Act Funds	0	15,336,729	0	0	0.0%	-
Workforce and Education Fund	0	375,435	300,000	530,000	76.7%	0.4%
<b>TOTAL USE OF FUNDS FROM PRIOR YRS</b>	<b>\$117,319,785</b>	<b>\$67,677,073</b>	<b>\$161,580,698</b>	<b>\$119,499,218</b>	<b>-26.0%</b>	<b>100.0%</b>
<b>NET INCOME/(LOSS)</b>	<b>\$23,197,902</b>	<b>(\$9,530,530)</b>	<b>\$0</b>	<b>\$0</b>		

\*Budget format was revised in FY2021 and required prior year reclassifications

MTW FUND DETAIL

	<u>FY2020 Actuals</u>	<u>FY2021 Actuals</u>	<u>FY2022 Budget</u>	<u>FY2023 Budget</u>	<u>% Change Prior Year</u>	<u>% of Total</u>
<b>REVENUES</b>						
HAP and Admin Fees	\$608,508,854	\$626,083,902	\$673,765,567	\$663,933,287	-1.5%	69.8%
Operating Subsidy	153,212,608	157,041,396	157,965,656	165,157,048	4.6%	17.4%
Capital Grants	0	283,241	54,057,552	60,000,000	11.0%	6.3%
Tenant Rent	39,552,134	27,613,439	47,103,094	43,594,852	-7.4%	4.6%
Non-CHA RAD LLC Charge Backs	0	0	1,522,658	1,568,338	3.0%	0.2%
CHA RAD LLC Charge Backs	0	0	11,302,748	11,626,808	2.9%	1.2%
Other	3,340,810	1,259,605	2,409,422	5,536,542	129.8%	0.6%
<b>TOTAL CURRENT YEAR REVENUES</b>	<b>\$804,614,406</b>	<b>\$812,281,583</b>	<b>\$948,126,697</b>	<b>\$951,416,875</b>	<b>0.3%</b>	<b>100.0%</b>
<b>EXPENDITURES</b>						
<b>OPERATING</b>						
<b>CENTRAL OFFICE</b>						
Executive Office	\$5,683,825	\$12,319,612	\$15,911,645	\$16,888,404	6.1%	15.8%
General Counsel	5,346,645	5,309,943	7,005,574	7,952,816	13.5%	7.4%
Inspector General	1,279,327	1,366,208	1,841,676	2,013,109	9.3%	1.9%
Finance and Treasury	8,658,126	7,729,290	15,082,191	13,039,744	-13.5%	12.2%
HR & Administration	4,512,288	4,653,536	5,228,734	5,547,612	6.1%	5.2%
Information Technology Services	12,640,398	13,199,785	13,017,247	16,462,837	26.5%	15.4%
Property and Asset Management	14,432,258	12,977,211	16,048,161	19,064,991	18.8%	17.8%
Housing Choice Voucher	4,139,293	3,622,797	4,152,474	4,771,943	14.9%	4.5%
Resident Services	15,288,379	14,479,758	14,950,550	16,273,768	8.9%	15.2%
Development	3,924,566	5,370,643	5,249,814	4,877,000	-7.1%	4.6%
<b>TOTAL CENTRAL OFFICE</b>	<b>\$75,905,105</b>	<b>\$81,028,783</b>	<b>\$98,488,066</b>	<b>\$106,892,224</b>	<b>8.5%</b>	<b>100.0%</b>
<b>OPERATIONS</b>						
Housing Choice Voucher	\$541,356,185	\$564,982,161	\$582,841,740	\$558,110,948	-4.2%	70.5%
Property and Asset Management	158,491,479	157,929,352	177,630,243	204,768,252	15.3%	25.9%
Resident Services	27,916,433	26,944,818	28,872,179	28,299,449	-2.0%	3.6%
<b>TOTAL OPERATIONS</b>	<b>\$727,764,097</b>	<b>\$749,856,331</b>	<b>\$789,344,162</b>	<b>\$791,178,648</b>	<b>0.2%</b>	<b>100.0%</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$945,204</b>	<b>(\$18,603,531)</b>	<b>\$60,294,469</b>	<b>\$53,346,003</b>	<b>-11.5%</b>	
<b>CAPITAL &amp; DEBT SERVICE</b>						
Development	\$18,788,100	\$22,205,521	\$57,243,000	\$41,771,780	-27.0%	43.0%
Public Housing - Rehab/Repair	2,264,321	13,113,479	34,208,000	25,156,449	-26.5%	25.9%
RAD	365,324	0	0	0	0.0%	-
Debt Service	28,843,380	28,653,141	30,262,167	30,235,287	-0.1%	31.1%
<b>TOTAL CAPITAL &amp; DEBT SERVICE</b>	<b>\$50,261,125</b>	<b>\$63,972,141</b>	<b>\$121,713,167</b>	<b>\$97,163,515</b>	<b>-20.2%</b>	<b>100.0%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$853,930,327</b>	<b>\$894,857,255</b>	<b>\$1,009,545,395</b>	<b>\$995,234,387</b>	<b>-1.4%</b>	
<b>TOTAL INCOME/(LOSS)</b>	<b>(\$49,315,921)</b>	<b>(\$82,575,672)</b>	<b>(\$61,418,698)</b>	<b>(\$43,817,512)</b>		
<b>TOTAL USE OF FUNDS FROM PRIOR YEARS</b>	<b>\$42,661,650</b>	<b>\$62,237,644</b>	<b>\$61,418,698</b>	<b>\$43,817,512</b>	<b>-28.7%</b>	
<b>NET INCOME/(LOSS)</b>	<b>(\$6,654,271)</b>	<b>(\$20,338,028)</b>	<b>\$0</b>	<b>\$0</b>		

\*Budget format was revised in FY2021 and required prior year reclassifications

SECTION 8 (NON MTW) FUND DETAIL

	<u>FY2020 Actuals</u>	<u>FY2021 Actuals</u>	<u>FY2022 Budget</u>	<u>FY2023 Budget</u>	<u>% Change</u>	
					<u>Prior Year</u>	<u>% of Total</u>
<b>REVENUES</b>						
Vouchers and Admin Fees	\$76,369,542	\$87,220,680	\$101,898,455	\$106,663,634	4.7%	102.6%
Tenant Rent	8,587,619	9,442,549	10,771,720	13,342,714	23.9%	12.8%
Charge backs from CHA Rad LLC	0	0	(11,302,748)	(11,626,808)	-	-11.2%
Loan repayment from CHA LLC to CHA	0	0	(6,121,685)	(6,121,685)	-	-5.9%
Other	1,821,461	1,137,131	1,158,730	1,738,076	50.0%	1.7%
<b>TOTAL REVENUES</b>	<b>\$86,778,622</b>	<b>\$97,800,359</b>	<b>\$96,404,472</b>	<b>\$103,995,931</b>	<b>7.9%</b>	<b>100.0%</b>
<b>EXPENDITURES</b>						
<b>OPERATING</b>						
<b>CENTRAL OFFICE</b>						
Executive Office	\$0	\$0	\$0	\$0	-	-
General Counsel	0	0	0	0	-	-
Inspector General	0	0	0	0	-	-
Finance and Treasury	0	0	0	0	-	-
HR & Administration	0	0	0	0	-	-
Information Technology Services	0	0	0	0	-	-
Property and Asset Management	478,049	314,501	0	0	-	-
Housing Choice Voucher	0	0	0	0	-	-
Resident Services	0	0	0	0	-	-
Development	0	0	0	0	-	-
<b>TOTAL CENTRAL OFFICE</b>	<b>\$478,049</b>	<b>\$314,501</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>	<b>-</b>
<b>OPERATIONS</b>						
Housing Choice Voucher	\$26,034,908	\$35,953,192	\$54,385,870	\$67,982,290	25.0%	65.4%
Property and Asset Management	6,794,076	4,612,461	42,018,603	36,013,642	-14.3%	34.6%
Resident Services	-	-	-	-	-	-
<b>TOTAL OPERATIONS</b>	<b>\$32,828,984</b>	<b>\$40,565,653</b>	<b>\$96,404,472</b>	<b>\$103,995,931</b>	<b>7.9%</b>	<b>100.0%</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$53,471,589</b>	<b>\$56,920,205</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>	<b>-</b>
<b>CAPITAL &amp; DEBT SERVICE</b>						
Development	\$0	\$0	\$0	\$0	-	-
Public Housing - Rehab/Repair	-	-	-	-	-	-
RAD	320,251	561,404	-	-	-	-
Debt Service	-	-	-	-	-	-
<b>TOTAL CAPITAL &amp; DEBT SERVICE</b>	<b>\$320,251</b>	<b>\$561,404</b>	<b>\$0</b>	<b>\$0</b>	<b>100.0%</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$33,627,284</b>	<b>\$41,441,558</b>	<b>\$96,404,474</b>	<b>\$103,995,931</b>	<b>7.87%</b>	<b>-</b>
<b>TOTAL INCOME/(LOSS)</b>	<b>\$53,151,338</b>	<b>\$56,358,801</b>	<b>(\$2)</b>	<b>\$0</b>	<b>-</b>	<b>-</b>
<b>TOTAL USE OF FUNDS FROM PRIOR YEARS</b>	<b>\$2,091,440</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>100.0%</b>	<b>-</b>
<b>NET INCOME/(LOSS)</b>	<b>\$55,242,779</b>	<b>\$56,358,801</b>	<b>(\$2)</b>	<b>\$0</b>	<b>-</b>	<b>-</b>

\*Budget format was revised in FY2021 and required prior year reclassifications

OTHER FUND DETAIL

	<u>FY2020 Actuals</u>	<u>FY2021 Actuals</u>	<u>FY2022 Budget</u>	<u>FY2023 Budget</u>	<u>%Change Prior Year</u>	<u>% of Total</u>
<u>REVENUES</u>						
Scholarships/Grants	\$1,764,306	\$1,410,214	\$2,495,654	\$2,196,282	-12.0%	10.8%
Interest/Rooftop/Misc	5,761,282	4,711,994	1,091,047	2,227,838	104.2%	11.0%
Debt Payback from CHA RAD LLC	0	187,941	6,121,685	6,121,685	0.0%	30.2%
CARES Act Funds	27,960,071	2,548,289	0	-	0.0%	-
RAD RAP Revenue	0	0	0	5,386,696	--	26.6%
Other Capital Funds	0	0	0	4,348,000	--	21.4%
Hope VI Funds	118,868	37,703	0	-	100.0%	-
<b>TOTAL REVENUES</b>	<b>\$35,604,527</b>	<b>\$8,896,141</b>	<b>\$9,708,386</b>	<b>\$20,280,501</b>	<b>108.9%</b>	<b>100.0%</b>
<u>EXPENDITURES</u>						
<u>OPERATING</u>						
<u>CENTRAL OFFICE</u>						
Executive Office	\$14,868	(\$4,646)	\$0	\$0	-	-
General Counsel	0	0	0	0	-	-
Inspector General	0	0	0	0	-	-
Finance and Treasury	(187,495)	259,623	0	0	-	-
HR & Administration	0	0	0	0	-	-
Information Technology Services	2,437,814	0	0	0	-	-
Property and Asset Management	766,939	1,335,897	192,107	0	-	-
Housing Choice Voucher	135	0	0	0	-	-
Resident Services	383,261	331,385	321,651	1,278,579	297.5%	100.0%
Development	0	0	0	0	-	-
<b>TOTAL CENTRAL OFFICE</b>	<b>\$3,415,522</b>	<b>\$1,922,259</b>	<b>\$513,758</b>	<b>\$1,278,579</b>	<b>148.9%</b>	<b>100.0%</b>
<u>OPERATIONS</u>						
Housing Choice Voucher	\$5,460	\$13,918	\$21,420	\$22,540	5.2%	1.3%
Property and Asset Management	41,043,475	26,021,459	139,347	200,000	43.5%	12.0%
Resident Services	1,656,549	1,105,215	2,319,709	1,447,704	-37.6%	86.7%
<b>TOTAL OPERATIONS</b>	<b>\$42,705,484</b>	<b>\$27,140,592</b>	<b>\$2,480,476</b>	<b>\$1,670,244</b>	<b>-32.7%</b>	<b>100.0%</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>(\$10,516,479)</b>	<b>(\$20,166,710)</b>	<b>\$6,714,152</b>	<b>\$17,331,678</b>	<b>158.1%</b>	
<u>CAPITAL &amp; DEBT SERVICE</u>						
Development	\$27,876,561	\$15,991,394	\$22,877,800	\$24,674,283	7.9%	26.5%
Public Housing - Rehab/Repair	13,216,631	1,327,056	27,980,800	32,048,552	14.5%	34.5%
RAD	47,803,759	14,831,815	55,707,000	36,236,667	-35.0%	39.0%
Debt Service	0	0	10,552	53,878	410.6%	0.1%
<b>TOTAL CAPITAL &amp; DEBT SERVICE</b>	<b>\$88,896,951</b>	<b>\$32,150,265</b>	<b>\$106,576,152</b>	<b>\$93,013,379</b>	<b>-12.7%</b>	<b>100.0%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$135,017,957</b>	<b>\$61,213,116</b>	<b>\$109,570,386</b>	<b>\$95,962,202</b>	<b>-12.4%</b>	
<b>TOTAL INCOME/(LOSS)</b>	<b>(\$99,413,430)</b>	<b>(\$52,316,975)</b>	<b>(\$99,862,000)</b>	<b>(\$75,681,701)</b>		
<b>TOTAL USE OF FUNDS FROM PRIOR YEARS</b>	<b>\$72,566,694</b>	<b>\$5,439,429</b>	<b>\$99,862,000</b>	<b>\$75,681,702</b>	<b>-24.2%</b>	<b>39.2%</b>
<b>NET INCOME/(LOSS)</b>	<b>(\$26,846,736)</b>	<b>(\$46,877,546)</b>	<b>(\$0)</b>	<b>\$0</b>		

\*Budget format was revised in FY2021 and required prior year reclassifications



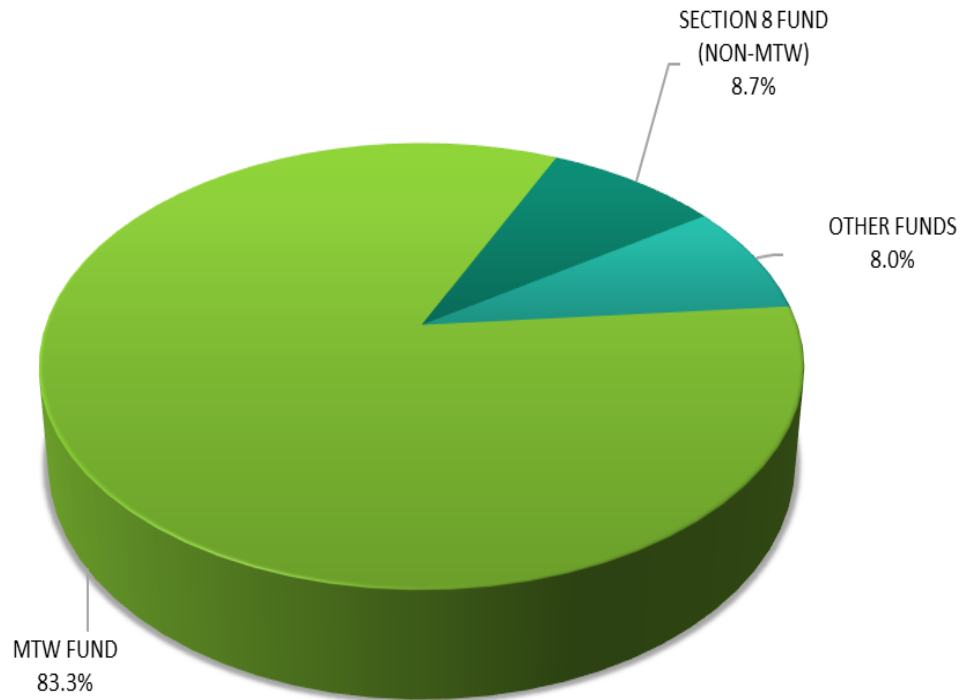
### REVENUE SOURCES ANALYSIS

The revenue summary section encompasses four major funding sources, each comprised of several components. Tables and graphs display historical information for each of the funding sources over a four-year period. For FY2023, total budgeted revenue for CHA is \$1.2 billion.

	FY2020 Actuals	2021 Actuals	FY2022 Budget	FY2023 Budget	% Change Prior Year
<b>MTW SINGLE FUND</b>	\$847,276,056	\$874,519,227	\$1,009,545,395	\$995,234,387	-1.4%
<b>SECTION 8 FUND (NON-MTW)</b>	88,870,063	97,800,359	96,404,472	103,995,931	7.9%
<b>OTHER FUNDS*</b>	108,171,220	14,335,570	109,570,386	95,962,203	-12.4%
<b>TOTAL REVENUES</b>	<b>\$1,044,317,339</b>	<b>\$986,655,156</b>	<b>\$1,215,520,253</b>	<b>\$1,195,192,521</b>	<b>-1.7%</b>

\* Other Funds includes non-material amounts in 2020 and 2021 associated with closing out Hope VI grants.

### REVENUE SOURCES

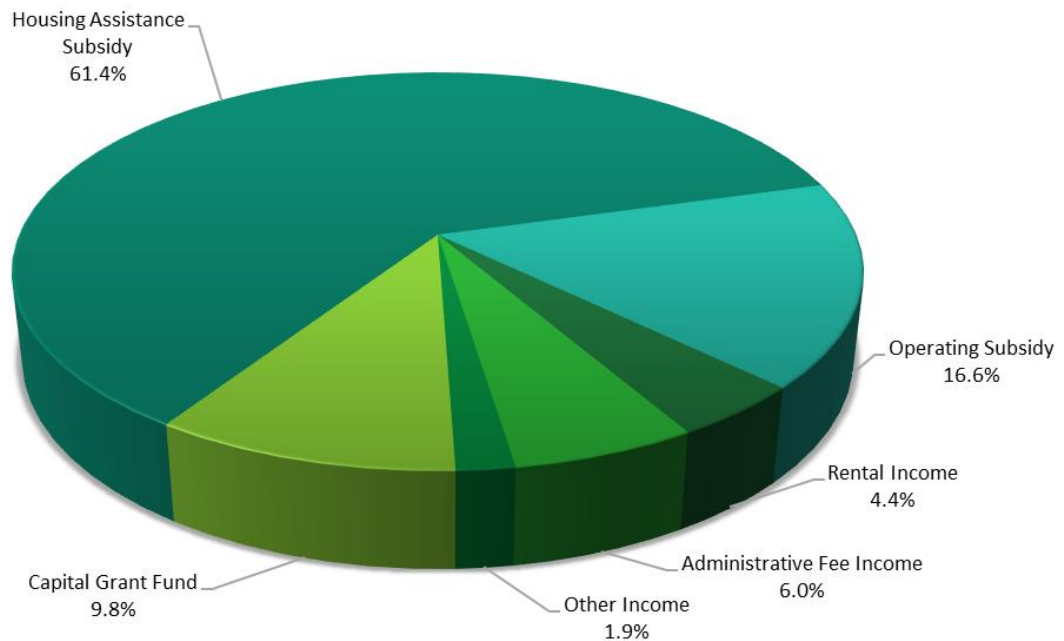


**MTW Single Fund**

The Amended and Restated Moving to Work Agreement (MTW Agreement) between CHA and the U.S. Department of Housing and Urban Development (HUD) allows CHA to combine Low-Income Public Housing (LIPH), Capital Fund, and Section 8 Housing Choice Voucher funding into a block grant also known as the MTW Single Fund.

The following table and graph reflect the major sources of revenue which make up the MTW Single Fund.

	FY2020 Actuals	FY2021 Actuals	FY2022 Budget	FY2023 Budget	% Change from Prior Year
Capital Grant Fund	\$33,154,963	\$37,949,503	\$101,516,000	\$97,733,131	-3.7%
Housing Assistance Subsidy	552,818,692	566,264,310	626,181,406	610,747,510	-2.5%
Operating Subsidy	153,212,608	157,041,396	157,965,656	165,157,048	4.6%
Tenant Rent	49,058,821	36,848,092	47,103,094	43,594,852	-7.4%
Administrative Fees	55,690,161	59,819,592	61,544,412	59,270,162	-3.7%
Other Income	3,340,810	16,596,334	15,234,827	18,731,688	23.0%
<b>TOTAL REVENUES</b>	<b>\$847,276,056</b>	<b>\$874,519,227</b>	<b>\$1,009,545,395</b>	<b>\$995,234,387</b>	<b>-1.4%</b>



**Capital Grant Fund**

The Capital Fund is utilized for rehabilitation and development. In FY2023, construction activity will be centered around delivering new units to the public housing portfolio through mixed-income developments and public housing initiatives. Some of the anticipated capital projects are rehabilitation and maintenance work at various senior, family, small/medium/large multi-family properties. There will also be work done at Albany Terrace, Cabrini, Oakwood Shores, Ogden Commons, Roosevelt Square, and Westhaven. The FY2023 Budget estimates a Capital Grant Fund allocation (including projected carryover) totaling \$97.7 million.

**Housing Assistance Subsidy**

Section 8 Housing Choice Voucher (HCV) provides voucher funds that pay a portion of a tenant's rent. The FY2023 projection is based on a total of approximately 44,308 leased units, with an assumed 100% proration rate and an annual per unit rate of \$12,137. Also included in the projection is 5,730 vouchers that CHA intends to block grant at \$12,898 per voucher, per its MTW Agreement.

**Operating Subsidy**

The estimate of operating subsidy is based upon the MTW Operating Subsidy Formula provided CHA's MTW Agreement. The projection is derived by taking the Allowable Expense Level, a delta factor of 0.5%, the inflation factor of 2.3%, and HUD's Congressional appropriation rate. The calculated operating subsidy is based on 15,455 units, and assumes a Congressional appropriation of 99.4% along with a RAD adjustment factor.

**Tenant Rent**

Rental Income is based on a projected 95% occupancy rate and 95% collection rate for each property in the Agency's portfolio.

**Administrative Fees**

The Authority earns Administrative Fees from HUD based on the total number of units leased for facilitating and managing the Section 8 (HCV) programs. HUD establishes a rate per unit that is subject to Congressional appropriation. For FY2023, CHA projections assume a proration rate of 88%. Third-party vendors are used to administer CHA's HCV Program.

**Other Income**

MTW Other Income is comprised of miscellaneous revenues received throughout the year. The revenue sources include \$13.2 million in management fee assessments from RAD properties and \$5.5 million in interest income and non-dwelling rental income.



**SECTION 8 (NON-MTW) FUND**

The Section 8 (Non-MTW) fund revenue consists of Special Purpose Vouchers and the Rental Assistance Demonstration (RAD) program. Special Purpose Vouchers include 553 Moderate Rehabilitation, 238 Mainstream, 1,094 Veteran's Affairs Supportive Housing (VASH), and 1,165 Emergency Housing Voucher (EHV) vouchers. (Family Unification Program vouchers or FUP are included in HCV HAP).

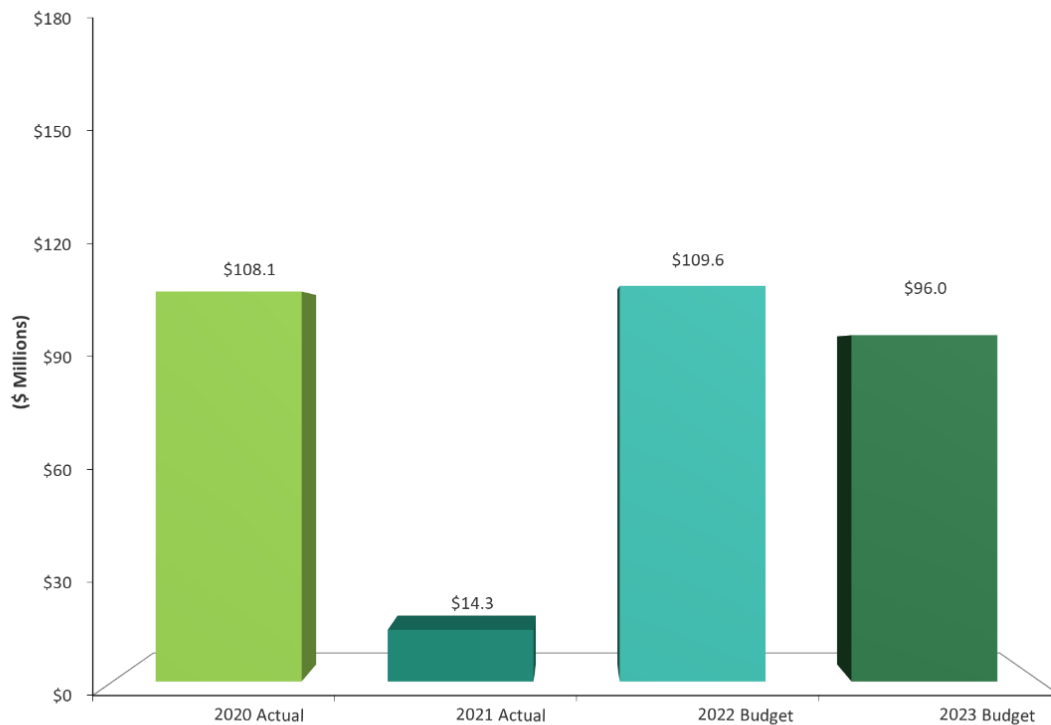
The RAD Program was designed by HUD to assist PHAs in preserving public housing assets and addressing capital needs. The program allows PHAs and owners of HUD-assisted properties to convert units to project-based Section 8 programs, providing an opportunity to invest millions into properties at risk of being lost from the nation's affordable housing inventory. CHA utilizes funding from the RAD Program to support and continue to expand affordable housing opportunities. RAD funding projected for FY2023 includes vouchers and administration fees, tenant rent income, and interest income.

	FY2020 Actuals	FY2021 Actuals	FY2022 Budget	FY2023 Budget	% Change
Moderate Rehabilitation	\$5,753,580	\$5,052,423	\$4,720,919	\$3,707,712	-21.5%
Administrative Income	1,160,892	944,310	2,038,992	3,016,984	48.0%
Mainstream	868,986	2,398,199	2,449,302	2,616,605	6.8%
Veteran's Affairs Supportive Housin	11,105,535	11,306,304	12,333,976	11,438,516	-7.3%
Emergency Housing Voucher	-	8,667,713	15,679,594	14,716,351	-6.1%
RAD Funds	69,981,070	69,431,411	59,181,690	68,499,763	15.7%
<b>TOTAL REVENUE</b>	<b>\$88,870,063</b>	<b>\$97,800,359</b>	<b>\$96,404,473</b>	<b>\$103,995,931</b>	<b>7.9%</b>

**OTHER FUNDS**

Sources of Other Funds include bond proceeds, capital escrow and replacement reserves for RAD properties, RAD Rental Assistance Payment (RAP) proceeds, various city/state/federal grants, interest income, rooftop rental income, inspection fees, and other miscellaneous revenues that vary from year-to-year.

Below are the trends for Other Funds for FY2020 through FY2023.





## CAPITAL AND DEVELOPMENT BUDGET

### Introduction

The Chicago Housing Authority (CHA) strategically rehabilitates and modernizes its public housing properties and develops new mixed-income communities throughout Chicago. Capital funding is allocated for land transactions and improvements, design, feasibility studies, engineering services and construction.

CHA maintains a real estate portfolio that is comprised of different types of buildings of various ages, sizes, and physical conditions. Each year CHA reviews its long-term capital needs to determine and prioritize its spend. Given the physical condition of these buildings and average age of 50+ years, the rehabilitation needed to maintain these properties requires significant capital.

CHA utilizes a combination of financing alternatives to leverage its capital assets towards the agency's strategic goals. Capital improvements are funded through CHA's MTW Single Fund (including grants received from HUD), proceeds from CHA's 2018 bond issue, as well as loans from public and private sources.

### FY2023 Capital Budget

The capital budget for the year beginning January 1, 2023 and ending December 31, 2023 is \$190.2 million and includes \$30.3 million in debt service. The table represents CHA's projected expenditures by project and funding source; this table reflects the allocation of revenues, by funding source, for each project.

The FY2023 Capital Budget decreased from FY2022 by \$31.4 million, or 14%, and reflects a focus on priority projects. Public housing preservation projects at CHA's family and senior properties include major capital rehabilitation and repairs at various projects. The rest of the capital budget is used to fund new construction of mixed-income communities. See the following table for details.

In FY2023, CHA has also budgeted \$36.2 million of capital projects for the Rental Assistance Demonstration (RAD) Program. Work is scheduled to continue on 20 RAD properties for a variety of rehab/repair projects.

**FY2023 Estimated Capital Expenditures (By Development and Fund)**

<b>PROJECTS</b>	<b>Capital Fund</b>	<b>Other Funding</b>	<b>MTW</b>	<b>TOTALS</b>
Albany Terrace	\$2,036,000	\$2,264,000		4,300,000
Cabrini	10,000,000			10,000,000
Due Diligence Costs		1,350,000		1,350,000
Emmett Street	1,316,000	1,331,827		2,647,827
Irene McCoy Gaines		1,000,000		1,000,000
Lathrop		5,000,000		5,000,000
LeClaire		3,400,000		3,400,000
Legends South		3,800,000		3,800,000
Near North High School Demolition		948,000		948,000
Oakwood Shores	4,900,000			4,900,000
Ogden Commons	12,300,000			12,300,000
Park Blvd	1,588,000	412,000		2,000,000
Roosevelt Square	10,768,000	132,000		10,900,000
Southbridge		1,000,000		1,000,000
Westhaven	2,900,000			2,900,000
<b>New Construction and Preservation</b>	<b>\$45,808,000</b>	<b>\$20,637,827</b>		<b>66,445,827</b>
Senior Developments	4,538,000	12,062,000	-	16,600,000
Family Developments	6,655,331	7,199,669	-	13,855,000
Single/Small/Medium/Large Multi-Family	-	6,800,000	-	6,800,000
Capital Maintenance - Unit Turns	18,000,000			18,000,000
Physical Needs Assessments		1,950,000		1,950,000
<b>Public Housing Preservation</b>	<b>29,193,331</b>	<b>28,011,669</b>		<b>57,205,000</b>
RAD Capital Projects Funded from Escrows		21,216,152		21,216,152
RAD Capital Projects Funded from Reserves		6,572,235		6,572,235
RAD Capital Projects Funded from Taxable Bonds		8,448,515		8,448,515
<b>RAD</b>		<b>36,236,902</b>		<b>36,236,902</b>
<b>Debt Service</b>			<b>30,289,165</b>	<b>30,289,165</b>
<b>TOTAL CAPITAL BUDGET</b>	<b>\$75,001,331</b>	<b>\$84,886,398</b>	<b>\$30,289,165</b>	<b>\$190,176,894</b>

**Capital Budget Process**

Projects included in the Capital Budget were derived based on discussions and input from various departments within the CHA. To determine the priority of capital projects, departments submitted projects that encompass both the improvement and development of housing throughout the City. For more information about the process, see timeline below.

May	Jun	Jul	Aug	Sep	Oct	Nov
A	B	C	D	E	F	G

- A. In May, the Manager, Capital Budget, and the Financial Analyst start preliminary conversations with Development and Property and Asset Management (PAM) concerning their respective future capital needs.
- B. Development and PAM forecast their budget needs for FY2023; these are submitted to Office of Budget and Management (OBM).
- C. OBM develops and update its capital plan to contain funding scenarios. This plan reflects estimated expenditures based on planned and future construction activities as submitted by Development and PAM.

Funding requests for capital projects to be carried out in FY2023 are then incorporated into the Comprehensive Budget. As part of the budget process, OBM identifies planned expenditures and compares them to available funding. To ensure that sufficient funding is available to carry out capital activities, CHA incorporates any/necessary prior years' capital fund carryover to be used as a part of the funding sources for the FY2023 capital plan.

- D. In August, the Manager, Capital Budget submits a draft of the FY2023 Capital Summary to the Budget Director for review.
- E. During September and October, in consultation with Executive management, capital plans are adjusted based on funding availability and CHA priorities.
- F. In October, the Capital Budget Summary is incorporated into a draft of the FY2023 Comprehensive Budget Document.
- G. In November, the Comprehensive Budget document is presented to the Board of Commissioners for Approval.

The Chicago Housing Authority's Capital Budget provides funding for repair and rehab of existing properties, land improvements, design, feasibility studies, engineering services and construction. Capital projects include the following activities:

**Project Development:** This phase of the project provides funding for costs incurred by CHA to define the scope of work for a specific project. Project Development costs include preliminary design studies, data collection, public review/comment, legal review, technical assessment, and cost estimating.

**Design:** These costs typically include professional consultant fees which include legal counsel, technical reviews/assessments by engineering and architectural firms, feasibility studies, construction management services, advertising fees and bid reviews.

**Land Acquisition:** These are costs incurred for the purchase of land, easements and rights-of-way, surveys, appraisals, environmental audits, and legal fees.

**Construction:** This phase includes all construction-related costs that are incurred for a project to reach completion. These costs include construction contracts, professional and technical services (engineering, architectural and legal), advertising as well as fees for permits and licenses.

**Administration:** These costs include in-house project management expenses to supervise and administer the capital funds. Administrative oversight is provided in each phase (project development, design, land acquisition and construction) as well as contract management, monitoring, and the processing of related financial transactions.

The following definitions relate to the Chicago Housing Authority's capital projects:

**Capital Expenditures:** Funds spent on capital improvements that change the nature of property, extends its useful life, or otherwise improve it beyond the natural improvement expected with routine repairs/maintenance.

**Capital Improvement:** A major expenditure that generally falls into one of the following categories: land and non-structural improvements; new structures; major repairs; or major equipment.

**Capital Budget:** A list of projects that identifies sources and uses of funds in a five-year planning cycle.

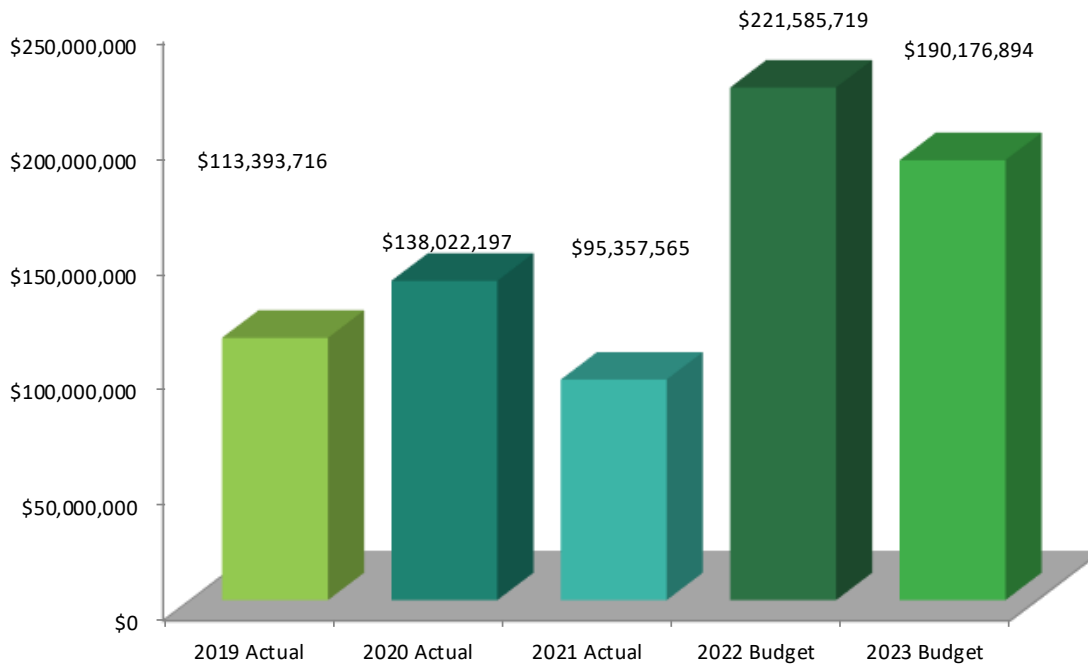
**Non-Recurring Capital Items:** These costs are defined as a major, non-recurring expenditure to expand or improve a government's physical assets, including facilities and infrastructure that are not consumed within a year but rather have a multi-year life. In addition, equipment items of a non-recurring nature (multi-year useful life) and a significant value (\$25,000 or greater) are included in the non-recurring capital plan.

**CAPITAL EXPENDITURES BY CATEGORY FY2019 - FY2023**

Category	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget
Mixed Income/Mixed Finance	\$37,759,373	\$42,544,737	\$36,211,723	\$76,769,000	\$66,445,827
Real Estate Acquisition Program	-	-	-	-	-
RAD	18,935,725	48,377,950	15,393,219	\$55,707,000	\$36,236,902
Senior Developments	5,902,458	4,093,469	9,512,748	30,929,000	16,600,000
Scattered Sites	1,131,915	1,050,950	554,553	10,050,000	6,800,000
Family Developments	32,643,117	3,620,996	2,209,511	7,208,000	13,855,000
Other	14,530,142	6,715,538	2,163,724	10,650,000	19,950,000
<b>Principal/Interest Expense</b>	921,343	27,456,978	27,352,034	30,272,719	30,289,165
<b>Environmental Remediation*</b>	1,569,643	4,161,579	1,960,053	-	-
<b>Total</b>	<b>\$113,393,716</b>	<b>\$138,022,197</b>	<b>\$95,357,565</b>	<b>\$221,585,719</b>	<b>\$190,176,894</b>

\*Beginning in FY2022, environmental remediation expenditures were rolled into each individual project at the properties  
 Note: Prior year data shown here may differ from past publications due to prior year adjustments

**Total Capital Expenditures**





**5-Year Capital Expenditures Forecast**

The following estimates for projected capital spending in 2023—2027 are based on current plans and are subject to change.

(\$000's)	FY2023	FY2024	FY2025	FY2026	FY2027
New Construction and Preservation*	66,446	50,000	50,000	50,000	50,000
<b>Total New Construction and Preservation</b>	<b>\$ 66,446</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>
Public Housing - Rehab/Repairs					
<b>Total Public Housing Preservation</b>	<b>\$ 57,205</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>
Rental Assistance Demonstration Preservation	\$ 36,237	\$ 5,382	\$ -	\$ -	\$ -
<b>Total Capital Uses</b>	<b>\$ 159,888</b>	<b>\$ 105,382</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>
<b>Debt Service</b>	<b>\$ 30,289</b>	<b>\$ 30,289</b>	<b>\$ 30,289</b>	<b>\$ 30,289</b>	<b>\$ 30,289</b>
<b>Grand Total Capital and Debt Uses</b>	<b>\$ 190,177</b>	<b>\$ 135,671</b>	<b>\$ 130,289</b>	<b>\$ 130,289</b>	<b>\$ 130,289</b>

\*New Construction and Preservation Projects in the estimates for FY2023-FY2027 may include:

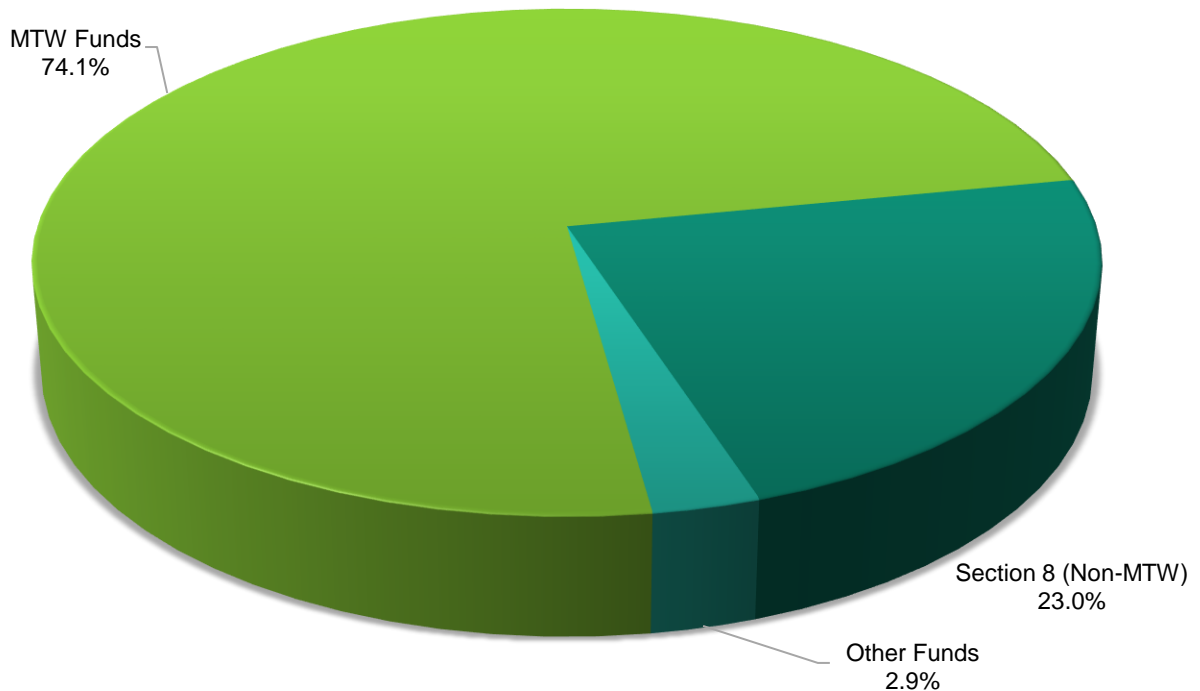
- Albany Terrace
- Cabrini
- Emmett Street (Lucy Gonzalez Parsons)
- Irene McCoy Gaines
- Lathrop
- LeClaire
- Legends South
- Near North High School
- Oakwood Shores
- Ogden Commons
- Park Blvd
- Roosevelt Square
- Single Family/Small/Medium Apartments
- Southbridge
- Westhaven

### FUND EQUITY & NET POSITION

On December 31, 2022, CHA is projected to increase its fund balance by \$194.4 million, a 6.7% increase from the balance on December 31, 2021. The increase is a result of projected MTW, Section 8 (Non-MTW) and Other Fund revenues for year-end 2022 to exceed projected MTW, Section 8 (Non-MTW) and Other Funds expenditures. This increase in fund balance will be allocated to future years' operating and capital needs and may involve allocations to meet unanticipated expenses. CHA balanced the FY2023 Budget by using other funding sources for capital and development expenses. The increase in fund balance for FY2022 was determined by projecting revenue and operating expenditures for each fund using September 2022 year-to-date actual financial data and straight-line projections.

Fund	Beginning Net Asset (Equity) 12/31/2021	2022 Projected			Projected Net Asset (Equity) 12/31/2022	2023 Budget		Projected Net Assets (Equity) 12/31/2023
		Revenue	Expenditures	Change in Net Asset		Revenues	Expenditures	
<b>Enterprise Funds</b>								
<b>MTW Funds</b>	\$2,118,858,824	\$949,219,336	(\$783,137,425)	\$166,081,911	\$2,284,940,735	\$995,234,387	(\$995,234,387)	\$2,284,940,735
<b>Section 8 (Non-MTW)</b>	687,431,803	101,059,682	(80,446,458)	20,613,224	708,045,027	103,995,931	(\$103,995,931)	708,045,027
<b>Other Funds</b>	80,993,118	11,653,080	(3,983,672)	7,669,408	88,662,526	95,962,203	(95,962,203)	88,662,526
<b>Total Enterprise Fund</b>	<b>\$2,887,283,745</b>	<b>\$1,061,932,098</b>	<b>(\$867,567,555)</b>	<b>\$194,364,543</b>	<b>\$3,081,648,288</b>	<b>\$1,195,192,521</b>	<b>(\$1,195,192,521)</b>	<b>\$3,081,648,288</b>

**Projected Net Assets (Equity) 12/31/2023**



COMBINING SCHEDULE OF PROGRAM NET POSITION ACCOUNTS  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 December 31, 2021

	Low Rent Housing Program	Rental Assistance Demonstration Program	Business Activities Program	Housing Choice Voucher (Section 8) program	Other Grant Programs	Eliminations	Total 2021
<b>Assets:</b>							
<b>Current Asset:</b>							
Cash and Cash Equivalents, Unrestricted	\$33,127,728	\$10,864,591	\$5,820,680	\$28,220,622	\$3,560,852	\$0	\$81,594,473
Cash and Cash Equivalents, Restricted	8,193,545	99,445,628	30,131,025	7,624,363	2,713,160	0	148,107,721
Investments at Fair Value, Unrestricted	113,805,580		181,837	18,584,566	14,348,544	0	146,920,527
Tenant Accounts Receivables, Net of Allowance	5,014,039	934,458	6,273	0	0	0	5,954,770
Intergovernmental Receivable (HUD and Other)	20,362,785	0	4	8,875,732	337,932	0	29,576,453
Miscellaneous Receivable	9,235,170	(39,143)	615,739	2,941,215	873,457	(2,514,523)	11,111,915
Interest Receivable, Current Portion	359,942	231,436	279,674	0	28,289	0	899,341
Notes and Mortgages Receivable, Current Portion	3,197,153	0	5,007,734	0	2,323,000	(4,249,316)	6,278,571
Prepaid Expenses	4,786,029	1,603,833	(2,881)	0	552,380	0	6,939,361
Advances to Resident and Private Managers	1,987,990	724,921	0	0	6,127	0	2,719,038
Due From Other Programs	0	0	0	11,477,930	11,867,586	(23,345,516)	0
<b>Total Current Assets</b>	<b>\$200,069,961</b>	<b>\$113,765,724</b>	<b>\$42,040,085</b>	<b>\$77,724,428</b>	<b>\$36,611,327</b>	<b>(\$30,109,355)</b>	<b>\$440,102,170</b>
<b>Noncurrent Assets:</b>							
Cash and Cash Equivalents, Restricted	42,748,873	967,802	19,008,525	470,510	0	0	63,195,710
Investments at Fair Value, Restricted	35,358,762	90,944,695	107,971,074	0	0	0	234,274,531
Pension Benefit Asset, Restricted	5,750,590	0	31,856	3,854,964	0	0	9,637,410
Notes and Mortgages Receivable	627,752,861	40,661,436	269,814,769	0	3,985,986	(242,190,918)	700,024,134
Interest Receivable	(56,228)	2,539,755	2,520	0	0	0	2,486,047
Other Noncurrent Assets	7,154,732	71,421,101	31,350,511	0	12,076,191	(75,287,101)	46,715,434
<b>Capital Assets not Depreciated:</b>							
Land	255,704,090	1,615,917	2,449,551	0	6,745,975	0	266,515,533
Construction in Progress	49,367,814	34,390,641	4,058,930	0	1,999,730	0	89,817,115
<b>Capital Assets Net of Accumulated Depreciation:</b>							
Structures and Capital Leases	753,712,512	217,903,015	45,252,549	0	14,300,837	0	1,031,168,913
Equipment	3,346,149	600	0	0	0	0	3,346,749
<b>Total Noncurrent Assets</b>	<b>\$1,780,840,155</b>	<b>\$460,444,962</b>	<b>\$479,940,285</b>	<b>\$4,325,474</b>	<b>\$39,108,719</b>	<b>(\$317,478,019)</b>	<b>\$2,447,181,576</b>
<b>Total Assets</b>	<b>\$1,980,910,116</b>	<b>\$574,210,686</b>	<b>\$521,980,370</b>	<b>\$82,049,902</b>	<b>\$75,720,046</b>	<b>(\$347,587,374)</b>	<b>\$2,887,283,746</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Deferred Amount on Pension	384,515	0	1,967	257,654	0	0	644,136

COMBINING SCHEDULE OF PROGRAM NET POSITION ACCOUNTS  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND  
 December 31, 2021

LIABILITIES:

	Low Rent Housing Program	Rental Assistance Demonstration Program	Business Activities Program	Housing Choice Voucher (Section 8) Program	Other Grant Programs	Eliminations	Total	2021
<b>Current Liabilities:</b>								
Accounts Payable	\$21,751,542	\$3,151,697	\$190,548	\$1,642,643	\$147,380	\$0	\$26,883,810	
Intergovernmental Payable (HUD)	0	0	0	727,275	0	0	727,275	
Accrued Wages & Payroll Taxes	2,319,444	0	0	0	3,593	0	2,323,037	
Accrued Compensated Absences	2,053,030	3,351	159	675,715	733	0	2,732,988	
Accrued Interest Payable	(25,557)	2,268,159	0	0	0	0	2,242,602	
Accrued Liabilities	62,604,835	19,981,472	9,865,365	7,836,121	406,366	(546,838)	100,147,321	
Tenant Security Deposits	2,328,184	734,136	16,174	0	0	0	3,078,494	
Unearned Revenue	8,670,784	277,577	10,203,120	2,591,019	2,526,171	(577,442)	23,691,229	
Insurance Reserves, Current Portion	681,855	0	7,280	0	0	0	689,135	
Capital Lease Obligations, Current Portion	8,430,834	0	0	0	0	0	8,430,834	
Current Maturities, Long Term Debt, and Current Portion of Net Unamortized Bond Premium	5,219,998	4,958,614	9,540,000	0	0	(4,249,316)	15,469,296	
Other Current Liabilities	4,527,751	5,336,016	8,992,338	0	0	(24,924)	18,831,181	
Due to Other Programs	19,605,611	1,980,024	1,759,875	0	0	(23,345,510)	0	
<b>Total Current Liabilities</b>	<b>\$138,168,311</b>	<b>\$38,691,046</b>	<b>\$40,574,859</b>	<b>\$13,472,773</b>	<b>\$3,084,243</b>	<b>(\$28,744,030)</b>	<b>\$205,247,202</b>	
<b>Noncurrent Liabilities:</b>								
Family Self-Sufficiency Liability	254,864	0	0	559,431	0	0	814,295	
Insurance Reserves, Net of Current Portion	3,965,079	37,084	5,648	0	0	0	4,007,811	
Net Pension Liability	0	0	0	0	0	0	0	
Lease Obligations, Net of Current Portion	302,013,905	0	15,920,493	0	0	0	317,934,398	
Long-Term Debt, Net of Current Maturities and Current Portion of Net Unamortized Bond Premium	106,390,536	348,291,169	221,667,500	0	0	(242,190,918)	434,158,287	
Other Noncurrent Liabilities	14,364,623	47,554,113	49,954,077	1,774,952	23,274	(74,863,256)	38,807,783	
<b>Total Noncurrent Liabilities</b>	<b>426,989,007</b>	<b>395,882,366</b>	<b>287,547,718</b>	<b>2,334,383</b>	<b>23,274</b>	<b>(317,054,174)</b>	<b>795,722,574</b>	
<b>Total Liabilities</b>	<b>\$565,157,318</b>	<b>\$434,573,412</b>	<b>\$328,122,577</b>	<b>\$15,807,156</b>	<b>\$3,107,517</b>	<b>(\$345,798,204)</b>	<b>\$1,000,969,776</b>	
<b>DEFERRED INFLOWS OF RESOURCES:</b>								
Deferred Amount on Pension	6,316,734	0	32,312	4,232,698	0	0	10,581,744	
<b>NET POSITION:</b>								
Net Investment in Capital Assets	679,165,847	(52,074,566)	11,448,037	0	23,046,542	246,440,234	908,026,094	
<b>Restricted for:</b>								
Demolition Grants	7,090,375	0	0	0	1,006,854	0	8,097,229	
Blended Component Units	8,213,518	39,638,935	2,822,306	0	0	0	50,674,759	
Unrestricted	715,305,839	152,072,905	179,557,105	62,267,701	48,559,133	(248,229,404)	909,578,279	
<b>Total Net Position</b>	<b>\$1,409,775,579</b>	<b>\$139,637,274</b>	<b>\$193,827,448</b>	<b>\$62,267,701</b>	<b>\$72,612,529</b>	<b>(\$1,789,170)</b>	<b>\$1,876,376,361</b>	



**LONG-TERM LIABILITY SUMMARY**

**CHA & RAD LLC LIABILITY**

**LONG-TERM DEBT, LEGAL DEBT LIMIT AND MARGIN, AND CAPITAL LEASES**

HUD is the primary source for operating and capital improvement funding, which secures the Authority’s debt for payment through the MTW Fund. CHA continues to pursue alternative methods by which to finance capital improvements to its current housing stock. CHA may explore various financing options.

Based on current projected amortization schedules, long-term liability balances as of December 31, 2022, are estimated as follows:

**LONG-TERM LIABILITY SUMMARY**

<b>Source</b>	<b>Amount</b>	<b>%</b>
Tax-Exempt General Obligation Bonds, Series 2018A	\$88,800,000	13.1%
Taxable General Obligation Bonds, Series 2018B	197,275,000	29.0%
Build America Bonds	8,935,000	1.3%
Capital Leases	355,086,156	52.2%
Federal Home Loan - Line of Credit	2,020,196	0.3%
RAD LLC - IHDA Mortgage	28,127,867	4.1%
<b>Total</b>	<b>\$680,244,219</b>	

CHA maintains an issuer credit rating (ICR) from Standard and Poor’s (S&P) Global of AA– with a stable outlook as of August 26, 2022. Fitch Ratings affirmed the Issuer Default Rating (IDR) of the CHA at AA– and affirmed the AA- rating on the agency’s Tax-Exempt and Taxable General Obligation Bonds series 2018AB issues with a stable outlook on November 15, 2021. For FY2023, the Authority’s budget includes amounts for both principal and interest payments on long term debt. Debt instruments are further described below.

**CHA LIABILITY****Tax-Exempt General Obligation Bonds, Series 2018A**

In FY2018, the CHA issued Tax-Exempt General Obligation Bonds, Series 2018A in the amount of \$100 million to finance projects within the capital 5-year plan. Both S&P Global and Fitch Ratings rated CHA bonds as AA—with a “stable” outlook as of August 26, 2022, and November 15, 2021, respectively. Debt service requirements related to the bonds, for FY2023 through FY2037 will be paid from the MTW Fund as follows:

<b>TAX-EXEMPT BONDS, SERIES 2018A</b>			
<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$4,115,000	\$4,440,000	\$8,555,000
2024	4,320,000	4,234,250	8,554,250
2025	4,535,000	4,018,250	8,553,250
2026	4,765,000	3,791,500	8,556,500
2027-2032	34,020,000	17,309,250	51,329,250
2033-2037	37,045,000	5,737,250	42,782,250
<b>TOTAL</b>	<b>\$88,800,000</b>	<b>\$39,530,500</b>	<b>\$128,330,500</b>

**Taxable General Obligation Bonds, Series 2018B**

In FY2018, the CHA issued Taxable General Obligation Bonds, Series 2018B in the amount of \$225 million to finance projects within the capital 5-year plan. Both S&P Global and Fitch Ratings rated CHA bonds as AA—with a “stable” outlook as of August 26, 2022, and November 15, 2021, respectively. Debt service requirements related to the bonds, for FY2023 through FY2037 will be paid from the MTW Fund as follows:

<b>TAXABLE BONDS, SERIES 2018B</b>			
<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$9,865,000	\$8,209,222	\$18,074,222
2024	10,215,000	7,860,791	18,075,791
2025	10,590,000	7,484,674	18,074,674
2026	10,995,000	7,079,925	18,074,925
2027-2032	75,965,000	32,479,691	108,444,691
2033-2037	79,645,000	10,716,068	90,361,068
<b>TOTAL</b>	<b>\$197,275,000</b>	<b>\$73,830,371</b>	<b>\$271,105,371</b>

**Taxable Revenue Bonds, Series 2010**

In FY2010, the CHA issued Taxable Revenue Bonds (“Build America Bonds”), Series 2010 in the amount of \$25.0 million to finance certain capital costs for energy savings and efficiency improvements. Both S&P Global and Fitch Ratings rated CHA bonds as AA–with a “stable” outlook as of August 26, 2022, and November 15, 2021, respectively. Debt service requirements related to the bonds, for FY2023 through FY2028, will be paid from the MTW Fund as follows:

**BUILD AMERICA BONDS**

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$1,350,000	\$553,179	\$1,903,179
2024	1,400,000	474,069	1,874,069
2025	1,455,000	390,069	1,845,069
2026	1,515,000	300,732	1,815,732
2027-2028	3,215,000	310,235	3,525,235
<b>TOTAL</b>	<b>\$8,935,000</b>	<b>\$2,028,284</b>	<b>\$10,963,284</b>

**Capital Leases**

The Authority has entered into 57 long-term agreements with third-party developers for the lease of designated public housing units in mixed-income developments. It has entered into two lease agreements for commercial spaces that are used for the central office and satellite locations. These lease agreements qualify as capital leases for accounting purposes and have been recorded in the MTW Fund at the present value of their future minimum lease payments as of the inception date. The present value of minimum lease payments as of December 31, 2022, is \$355.1 million.

**CAPITAL LEASES**

<b>Year Ending</b>	<b>Amount</b>
2023	\$20,587,722
2024	20,689,279
2025	20,790,963
2026	20,947,775
2027	21,898,724
Thereafter	418,777,609
Total minimum lease payments	\$523,692,072
Less: amount representing interest	(168,605,915)
<b><i>Present value of minimum lease payments</i></b>	<b><i>\$355,086,156</i></b>



**Federal Home Loan - Line of Credit**

In FY2022, CHA secured a five-year, \$2.2 million line of credit from the Federal Home Loan Bank to fund a buildout of central office floorspace that is subleased to the State of Illinois. Debt service requirements related to the line of credit are monthly interest-only payments, with principal to be paid-in-full at the end of the loan term. For FY2023, \$54K is budgeted for interest payments for this loan.

**PATRICK SULLIVAN RAD, LLC LIABILITY**

**IHDA Mortgage**

In FY2019, Patrick Sullivan RAD LLC entered into a mortgage loan agreement with the Illinois Housing Development Authority (IHDA) in the amount of \$29.5 million to finance projects within their rehab and replacement plan. Debt service requirements related to the mortgage, for FY2023 through FY2054, will be paid from the property’s operating funds as follows:

<b>PATRICK SULLIVAN - IHDA MORTGAGE</b>	
<b>Year Ending</b>	<b>Amount</b>
2023	\$1,702,886
2024	1,702,886
2025	1,702,886
2026	1,702,886
2027	1,702,886
Thereafter	44,700,748
Total mortgage payments	\$53,215,176
Less: amount representing interest	(25,087,310)
<b>Principal Loan Balance</b>	<b>\$28,127,867</b>

## FINANCIAL OPERATING PROCEDURES

### Introduction

The Authority's mission is to ensure the provision of affordable housing opportunities in viable communities to lower-income households. The Board of Commissioners has fiduciary and policy governance while the Chief Executive Officer and staff oversee CHA operations. The Finance Division is responsible for instituting procedures that comply with financial policies and the agency's goals. The following is a discussion of key financial policies and procedures, which govern CHA operations:

### Internal Controls

CHA is cognizant of the implications of the Sarbanes-Oxley legislation on governments. CHA's policy is to maintain an internal control structure in order to ensure that the CHA's assets are protected from loss, theft, or misuse, including that portion related to federal financial assistance programs. The CHA must also ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The CHA's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits that could be derived; and (2) the valuation of costs and benefits requires management's estimates and judgments.

The internal control structure is subject to periodic evaluation by CHA's Board, management, and independent auditors. As part of CHA's single audit, a determination is made annually as to whether there are instances of material weaknesses in the internal control structure or material instances of non-compliance with applicable laws and regulations.

### Budget Operating Procedures

The CHA budget procedure is established to maintain effective management of the Authority's financial resources. The Comprehensive Annual Budget is prepared for all funds expended by CHA. The budget is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and the Government Finance Officers Association (GFOA).

The Office of Budget and Management (OBM) is responsible for enforcing the procedure, recommending expenditure levels to the Chief Financial Officer (CFO), management improvements, and operating efficiencies. OBM is responsible for planning and enacting the Authority's fiscal plan with the following major components: budget preparation, budgetary control and monitoring, and financial management.

#### (A) Budget Preparation

Please reference the Budget Process in the Budget Summary Section.

#### Capital Budget Preparation

- For capital projects, anticipated commitments to be made during the current budget year will detail project and unit turnover.
- For mixed finance projects in which CHA is making a capital investment, budgeted costs will be identified by project and unit turnover with a detailed breakdown of hard and soft costs.

- In preparation for the 5-year Capital Budget, items that extend over more than one budget year are clearly annotated with cost projections for each subsequent year (e.g., *contract that began in FY2023 to commence over the next three years with anticipated costs of \$2,000,000 for each year should be budgeted in FY2024, FY2025 & FY2026*).
- An annual cash flow schedule must be submitted to OBM indicating, by month, the detailed anticipated spending levels. Quarterly updates are also submitted to revise cash flow estimates within twenty (20) business days after the quarter ends.
- In the event that detailed capital budgets are not completed in a timely manner to allow for proper submission of budget data by project and unit turnover, OBM will use an estimate based on historical or industry data.

#### **Grant Budget Preparation**

- All budgeted, grant-funded, expenditures must meet the guidelines specified in each of the individual grant agreements.
- The budget for each grant must not exceed the actual grant amount awarded.
- Budget for multi-year grants must be submitted. However, only planned expenditures for each fiscal year should be budgeted. Each subsequent fiscal year grant budget should not exceed the balance of the grant from the prior year carry-over.
- Projected carry-over of grant funding is budgeted and submitted by the cost center prior to the new fiscal year.
- Budget information for specified grants will be administered by the Grant Administration cost center.
- Grant-funded positions may be eliminated upon expiration of the grant, unless otherwise approved by the CEO.

#### **(B) Budget Control and Monitoring**

During the fiscal year, OBM staff will monitor and evaluate the operating performance of CHA by using a variety of analytical tools and techniques. Cost centers will be provided with quarterly budget reports to reflect actual expenditures and obligations. Monthly reports are available upon request by the user department. An analysis of the capital spending plans will be reviewed by OBM on a monthly basis.

OBM is responsible for the following:

- Monitoring budgeted resources for the Authority during the fiscal year.
- Approving purchase requisitions, contracts, and contract modifications presented to the Board of Commissioners (Board) for approval.
- Approving transfers between budget lines within a cost center.
- Monitoring the Authority's position roster, encompassing detailed control over payroll expenditures; and,
- Assisting Human Resources with monitoring the Authority's hiring practices maintaining the financial health of CHA in accordance with the personnel procedure adopted and approved by the Board.

The department head or designee will be responsible for the following:

- Monitoring cost center budgets on an on-going basis to ensure that the cost center is operating within budgeted levels and in compliance with any restrictions or limitations enacted by CHA Budget Procedure and Procedures Manual; and
- Giving timely notice to senior management, OBM and other staff regarding changes in objectives or other conditions that may cause variances from the approved budget plan. In no instance should the expenditure of funds exceed approved spending authority without prior budget amendment.

### **(C) Financial Management**

All purchase requisitions and contract modifications, regardless of the dollar amount, require a requisition be prepared through Lawson and forwarded to OBM for approval before processing by the Department of Procurement & Contracts. Budget Analysts review purchase requisitions and contract modifications for the following:

- Eligibility of expense
- Correct coding (ensuring description matches GL account and activity coding structure)

If no other issues exist, the purchase requisition will be approved. The Lawson process flow then routes the requisition to the department head for approval. If issues exist with the requisition, the Budget Analyst will “unrelease” or reject the purchase requisition. The Budget Analyst may also attach a message during the process of unreleasing or rejecting the requisition to state why the requisition was not approved and, the required course of action.

If an approved requisition’s estimated cost becomes an actual expense in excess of \$500 over the approved amount (because a competitive bid or through negotiations after issuance of an RFP, IFB, etc.), the Department of Procurement & Contracts will resubmit the requisition to OBM and the user department for approval of additional funds before adjusting the dollar amount on the purchase order.

### **Year-end close Procedures (Open Purchase Orders)**

At year-end, the Procurement and Contracts department (DPC) performs a review of all open purchase orders as part of the close process. Each department chief will be responsible for reviewing their cost center’s open purchase orders to determine if any remaining balances need to be accrued at year-end. Accruals are only made for goods or services that have been received but no invoice has yet been booked. All purchase orders are closed at year-end by DPC unless otherwise notified by the cost center.

### **Check Requests**

Check requests are to be used for payment of one-time expenses that are not payments towards existing contracts. These requests must be forwarded to OBM for approval prior to submitting to Accounts Payable. Check requests will be reviewed by the Budget Analyst to ensure correct account coding, authorized signatures, and fund availability. If funds are available and there are no other issues, the check request will be forwarded to Accounts Payable for processing.

### **Job Requisition**

Job Requisitions are routed through Lawson process flow and reviewed by the Budget Director to determine if a request to fill a vacant position is authorized. If the vacant position is available, the Budget Director will approve all job requisitions to determine that the funding for the vacant position is available.

In addition, the Full Time Equivalent (FTE) for a cost center may remain constant during the fiscal year. No additional positions will be added to a Cost Center during the fiscal year without approval of the CEO.

### **Budget Revision Procedures (for non-personnel budget lines only)**

Operating budget revision procedures are required to assure consistency, accuracy, and tracking.

#### A. Justification

The following budget updates require Board approval:

- The acceptance of all new grant funding awards.
- Increases in the Authority's Annual Comprehensive Budget due to revised or new management initiatives and/or reorganization.

#### B. Timing

Budget update requests for new funding, increases or decreases to the Authority's comprehensive budget should be submitted on a quarterly basis. All Budget update requests are due to OBM on the following dates of each calendar year: March 10, June 10, and September 10.

#### C. Transfer Procedure

- OBM may approve transfers within a cost center between budget line items.
- The CEO, and/or department chief(s) or Budget Director must approve transfers of budgeted funds between cost centers under \$100,000.

#### D. Restrictions

- Budget revisions are only allowed between non-personnel line items for cost centers funded from the operating fund (Fund 100).
- Funds will not be transferred from a budgeted line item if the transfer will cause a negative variance in that budget line item.
- All budget revision requests over \$250,000 must be reviewed and approved by the Investment Committee before submittal to the budget department.
- Cost centers will not be allowed to transfer funding from personnel accounts to non-personnel accounts. Personnel and non-personnel bottom lines should remain constant for the duration of the fiscal year unless otherwise approved by the CEO, Chiefs, or Budget Director. Grants are excluded.

### **Financial Management**

OBM will be responsible for completing the following analyses on behalf of CHA:

- Performing impact analysis related to expenditure plan modifications and revenue fluctuations.
- Preparing monthly, quarterly, and annual reports to reflect the fiscal performance of CHA. These reports will compare actual expenditures relative to the fiscal year budget to determine whether the Authority is operating efficiently.
- Preparing quarterly cost center budget reports. These reports will detail the year-to-date

expenses, obligations, and fund availability by major HUD account. In addition, an open purchase order report will be included for each cost center.

- Establishing financial forecasts in order to project future operating revenues based on analytical assumptions as well as agreements with HUD and other organizations including developers and contractors.
- Preparing quarterly analysis of spending plans for each cost center and documenting reasons for any variance between planned and actual spending.

### **Collection/Depository Procedure**

#### Miscellaneous Receipts

The Treasury Department is responsible for the timely collection, deposit, and accounting of all miscellaneous revenue. They also ensure internal control and efficient depository methods utilizing both On-Site Electronic deposit procedures and internal Treasury safe drop box procedures, which will ensure that revenue is deposited at least weekly or when \$10,000 has been collected, whichever occurs first. In addition, it is the procedure of CHA that all checks are deposited on a daily basis to the Treasury safe drop box.

### **Investment Policy**

Please see Appendix for Investment Policy that was approved by the CHA Board on July 19, 2022

### **Audit Procedure**

- The Authority's audit procedure requires that all service providers, under contract or provider agreement, comply with federal and state laws and regulations requiring an independent audit by a certified public accountant or the Legislative Auditor of the State of Illinois. Audit engagement letters must be submitted to the CFO no later than 30 days prior to the end of the audit period, (which is CHA's fiscal year). The required audit reports must be submitted to the Office of the Comptroller within 30 days of completion of the audit, but not later than 90 days following the end of the audit period.
- Service providers under contract or provider agreement must work collaboratively with the Authority to resolve any findings contained in the audit report, including as necessary, the recovery of disallowed and/ or questioned costs that cannot be justified.
- The Authority may suspend payments under a contract/provider agreement when the provider fails to submit an audit engagement letter, audit report or fails to respond to agency requests to clear audit findings. If action agreed upon in an audit resolution plan has not been completed to the Authority's satisfaction within a reasonable/specified time, the contract will be canceled.
- A contract/provider agreement shall be canceled 30 days following suspension of payment, if an engagement letter, audit report, or audit resolution plan has not been submitted by the provider.

**Depreciation of Capital Assets**

CHA capitalizes assets with a cost of more than \$5,000 and an estimated useful life greater than one year. Capital assets are recorded at cost or at fair value at time of acquisition. Capital improvements that extend the useful life of assets are capitalized. In keeping with generally accepted accounting principles (GAAP) and as reflected in Governmental Accounting Standard's Board Statement No. 34, the CHA depreciates its capital assets over the estimated useful life of the asset. Depreciation of capital assets is computed using the straight-line method assuming the following useful lives:

<b>Asset Category</b>	<b>Asset Useful Life</b>
Buildings	40
Site Improvements	20
Furnitures	8
Equipments	5 & 8
Vehicles	5
Building Improvements	10

### EXECUTIVE OFFICE

The Executive Office Division is responsible for the overall management, direction, and accountability of the Authority, including the effective implementation of policies approved by the Board of Commissioners. In addition, the Executive Office Division coordinates and monitors the activities of all departments within the Authority to ensure that program goals and objectives are attained.



CHA CEO Tracey Scott joined youth residents to celebrate Family Day at the Altgeld Family Resource Center.



**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
100 - Office of the Chief Executive Officer (CEO)	\$1,037,591	\$1,292,370	\$2,140,017	\$2,528,667	18.16%
101 - Board of Commissioners (BOC)	379,690	388,093	448,345	466,910	4.14%
140 - Strategy & Insights	693,106	626,945	805,382	933,889	15.96%
204 - Internal Audit	1,140,594	736,892	1,169,579	1,331,920	13.88%
206 - Communications	683,700	667,317	807,154	1,160,867	43.82%
543 - HQ Facilities	1,764,012	8,603,350	10,541,168	10,466,151	-0.71%
<b>Executive Office</b>	<b>\$5,698,693</b>	<b>\$12,314,967</b>	<b>\$15,911,645</b>	<b>\$16,888,404</b>	<b>6.14%</b>

**Budget Year Comparison**

**100-Office of the Chief Executive Officer**

The overall budget increased by \$388,650, or 18.16%, primarily due to the addition of 2 FTEs along with increases in performance incentives and benefits costs.

**101-Board of Commissioners**

The overall budget increased by \$18,565, or 4.14%, primarily due to increases in performance incentives and benefits costs.

**140-Strategy & Insights**

The overall budget increased by \$128,507, or 15.96%, primarily due to market adjustments and increases in performance incentives and benefits costs.

**204-Internal Audit**

The overall budget increased by \$162,341, or 13.88%, primarily due to the addition of 1 FTE.

**206-Communications**

The overall budget increased by \$353,713, or 43.82%, primarily due to the addition of 2 FTEs and increases in performance incentives and benefits costs.

**543-HQ Facilities**

The overall budget decreased by \$75,017, or -0.71%, primarily due to the reduction of 3 FTEs offset by contractual rent increases.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
MTW Fund	\$5,683,825	\$12,319,612	\$15,911,645	\$16,888,404	6.14%
Other Funding	14,868	-4,646	0	0	0.00%
<b>Grand Total</b>	<b>\$5,698,693</b>	<b>\$12,314,967</b>	<b>\$15,911,645</b>	<b>\$16,888,404</b>	<b>6.14%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
Non-Personnel	\$1,909,625	\$8,402,142	\$11,308,454	\$11,496,854	1.67%
Personnel	\$3,789,068	\$3,912,825	\$4,603,191	\$5,391,550	17.13%
<b>Grand Total</b>	<b>\$5,698,693</b>	<b>\$12,314,967</b>	<b>\$15,911,645</b>	<b>\$16,888,404</b>	<b>6.14%</b>

## 2022 Accomplishments

- Developed CHA brand guidelines and created a branded suite of CHA identity materials
- Expanded use of data to measure performance
- Led agencywide Customer Service Experience initiative

## 2023 Goals

- Develop agencywide research priorities and protocols
- Standardize and centralize resident engagement practices
- Expand use of dashboards for agencywide performance metrics

## Cost Center Descriptions

**Office of the Chief Executive Officer (100)** The Chief Executive Officer (CEO) oversees the general strategic and operational functions of CHA and determines the strategic and operational priorities of the Authority. This Office is also responsible for ensuring leadership to meet public and administrative requirements. The CEO is charged with implementation of policies established by the Board of Commissioners and for overall management, direction, and accountability of the Authority.

**Board of Commissioners (101)** The Board of Commissioners represents the governing body responsible for fiscal oversight and policy for the Chicago Housing Authority.

**Government and External Affairs Office** facilitates CHA's legislative priorities and serves as the primary liaison with elected officials and key governmental entities at the federal, state, and local levels. It also oversees Freedom of Information Act (FOIA) management and compliance.

**Strategy & Insights (140)** The Strategy & Insights Department serves as a centralized unit in the Executive Office to manage key stakeholder relationships and outreach/correspondence as well as coordinate public information. In addition, the department manages agency-wide internal processes and initiatives which require Executive Office coordination and oversight. The department's key functions include:

- Oversight and management of agency-wide performance management system
- Coordination and management of executive correspondence
- Oversight and management of FOIA process
- Internal business policy and process management
- Management/coordination of external research projects and partners

**Internal Audit (204)** The Internal Audit Department is responsible for performing audits on processes and procedures of the Authority. It also ensures that internal controls are in place to safeguard the assets of the Authority and monitors the effectiveness of policies, practices, and procedures.

**Communications (206)** The Department of Communications and Marketing department helps the CHA build effective internal and external brand awareness for all CHA departments through marketing and branding, public relations, communications, special events, community engagement, web communications and graphic design. The department also works to advance CHA's vision, mission, and strategic objectives in the marketplace by delivering key messages to a wide variety of stakeholders.

Additional key functions include:

- Increase the visibility, transparency, and clarity of CHA as a thought leader
- Capitalize on current momentum to showcase the breadth of CHA achievements, initiatives, and programs
- Energize the CHA brand to enhance its reputation
- Position CHA as a catalyst for change
- Promote mutually beneficial relationship between CHA and key stakeholders

**HQ Facilities (543)** HQ Facilities is responsible for managing the administrative headquarters offices of CHA. Services include fleet management, mail and messenger services and vendor contract management which includes office supplies, parking services, printing, and conference support services.

**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
<b>100 - Chief Executive Officer (CEO)</b>					
MTW Fund	\$1,037,591	\$1,292,370	\$2,140,017	\$2,528,667	18.16%
<b>100 - Chief Executive Officer (CEO) Total</b>	<b>\$1,037,591</b>	<b>\$1,292,370</b>	<b>\$2,140,017</b>	<b>\$2,528,667</b>	<b>18.16%</b>
<b>101 - Board of Commissioners (BOC)</b>					
MTW Fund	\$379,690	\$388,093	\$448,345	\$466,910	4.14%
<b>101 - Board of Commissioners (BOC) Total</b>	<b>\$379,690</b>	<b>\$388,093</b>	<b>\$448,345</b>	<b>\$466,910</b>	<b>4.14%</b>
<b>140 - Strategy &amp; Insights</b>					
MTW Fund	\$693,106	\$626,945	\$805,382	\$933,889	15.96%
<b>140 - Strategy &amp; Insights Total</b>	<b>\$693,106</b>	<b>\$626,945</b>	<b>\$805,382</b>	<b>\$933,889</b>	<b>15.96%</b>
<b>204 - Internal Audit</b>					
MTW Fund	\$1,140,594	\$736,892	\$1,169,579	\$1,331,920	13.88%
<b>204 - Internal Audit Total</b>	<b>\$1,140,594</b>	<b>\$736,892</b>	<b>\$1,169,579</b>	<b>\$1,331,920</b>	<b>13.88%</b>
<b>206 - Communications</b>					
MTW Fund	\$683,700	\$667,317	\$807,154	\$1,160,867	43.82%
<b>206 - Communications Total</b>	<b>\$683,700</b>	<b>\$667,317</b>	<b>\$807,154</b>	<b>\$1,160,867</b>	<b>43.82%</b>
<b>543 - HQ Facilities</b>					
MTW Fund	\$1,749,143	\$8,607,996	\$10,541,168	\$10,466,151	-0.71%
Other Funding	\$14,868	-\$4,646	\$0	\$0	0.00%
<b>543 - HQ Facilities Total</b>	<b>\$1,764,011</b>	<b>\$8,603,350</b>	<b>\$10,541,168</b>	<b>\$10,466,151</b>	<b>-0.71%</b>
<b>Grand Total</b>	<b>\$5,698,693</b>	<b>\$12,314,967</b>	<b>\$15,911,645</b>	<b>\$16,888,404</b>	<b>6.14%</b>

**Total Expenditures**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>100 - Chief Executive Officer (CEO)</b>					
Non-Personnel	\$110,993	\$174,411	\$547,401	\$541,900	-1.00%
Personnel	926,598	1,117,959	1,592,616	1,986,767	24.75%
<b>100 - Chief Executive Officer (CEO) Total</b>	<b>\$1,037,591</b>	<b>\$1,292,370</b>	<b>\$2,140,017</b>	<b>\$2,528,667</b>	<b>18.16%</b>
<b>101 - Board of Commissioners (BOC)</b>					
Non-Personnel	\$58,601	\$56,930	\$91,425	\$79,614	-12.92%
Personnel	321,089	331,163	356,920	387,296	8.51%
<b>101 - Board of Commissioners (BOC) Total</b>	<b>\$379,690</b>	<b>\$388,093</b>	<b>\$448,345</b>	<b>\$466,910</b>	<b>4.14%</b>
<b>140 - Strategy &amp; Insights</b>					
Non-Personnel	\$121,878	\$64,085	\$113,800	\$116,400	2.28%
Personnel	571,228	562,860	691,582	817,489	18.21%
<b>140 - Strategy &amp; Insights Total</b>	<b>\$693,106</b>	<b>\$626,945</b>	<b>\$805,382</b>	<b>\$933,889</b>	<b>15.96%</b>
<b>204 - Internal Audit</b>					
Non-Personnel	\$974,951	\$559,824	\$979,250	\$979,250	0.00%
Personnel	165,643	177,067	190,329	352,670	85.29%
<b>204 - Internal Audit Total</b>	<b>\$1,140,594</b>	<b>\$736,891</b>	<b>\$1,169,579</b>	<b>\$1,331,920</b>	<b>13.88%</b>
<b>206 - Communications</b>					
Non-Personnel	\$56,171	\$56,021	\$186,500	\$226,900	21.66%
Personnel	627,529	611,297	620,654	933,967	50.48%
<b>206 - Communications Total</b>	<b>\$683,700</b>	<b>\$667,317</b>	<b>\$807,154</b>	<b>\$1,160,867</b>	<b>43.82%</b>
<b>543 - HQ Facilities</b>					
Non-Personnel	\$587,031	\$7,490,872	\$9,390,078	\$9,552,790	1.73%
Personnel	1,176,981	1,112,478	1,151,090	913,361	-20.65%
<b>543 - HQ Facilities Total</b>	<b>\$1,764,012</b>	<b>\$8,603,350</b>	<b>\$10,541,168</b>	<b>\$10,466,151</b>	<b>-0.71%</b>
<b>Grand Total</b>	<b>\$5,698,693</b>	<b>\$12,314,967</b>	<b>\$15,911,645</b>	<b>\$16,888,404</b>	<b>6.14%</b>

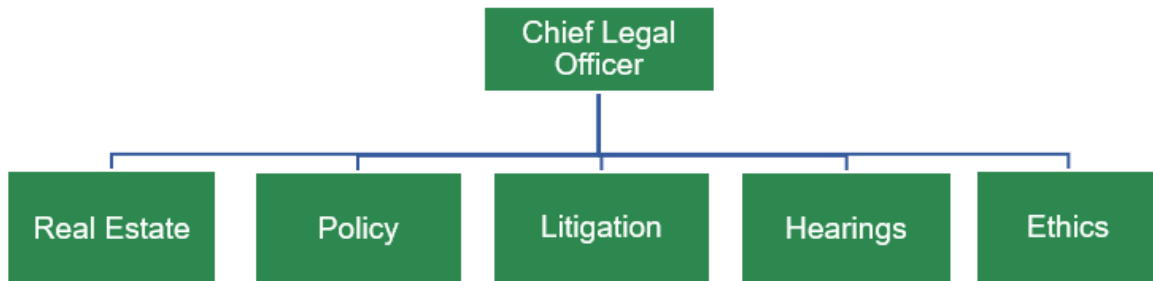
**FY2023 Budget**

	Personnel	Accounting & Auditing	Training	Travel	Materials	Sundry	Contracts	Total
100-Chief Executive Officer (CEO)	\$1,986,767		\$10,000	\$38,925			\$492,975	\$2,528,667
101-Board of Commissioners (BOC)	387,296		5,415	12,480	50,000	11,719		466,910
140-Strategy & Insights	817,489		3,000	5,000		108,400		933,889
204-Internal Audit	352,670	975,000	2,500	500		1,250		1,331,920
206-Communications	933,967		5,000	-		221,900		1,160,867
543-HQ Facilities	913,361		2,700	1,000	20,000		9,529,090	10,466,151
<b>Executive Office</b>	<b>\$5,391,550</b>	<b>\$975,000</b>	<b>\$28,615</b>	<b>\$57,905</b>	<b>\$70,000</b>	<b>\$343,269</b>	<b>\$10,022,065</b>	<b>\$16,888,404</b>



### GENERAL COUNSEL

The Office of the General Counsel (OGC) provides legal and policy-related advice and counsel to the Board of Commissioners and Management. The OGC represents the CHA before judicial and administrative tribunals and assists divisions by drafting contracts and policies, adjudicating disputes, and developing, negotiating, and closing real estate contracts and agreements. The OGC further oversees the CHA’s ADA/Section 504 Compliance Department and supervises compliance of the CHA Ethics Policy. The OGC oversees the CHA’s Fair Housing Compliance requirements and manages the HCV Informal Hearing.



*This division organizational chart reflects functional areas (not cost centers) within the division.*



CHA youth between the ages of 5 and 13 enjoyed a Back-to-School event hosted at the Brookfield Zoo.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>General Counsel</b>					
120 - Office of the General Counsel	\$5,346,645	\$5,309,943	\$7,005,574	\$7,952,816	13.52%
<b>General Counsel</b>	<b>\$5,346,645</b>	<b>\$5,309,943</b>	<b>\$7,005,574</b>	<b>\$7,952,816</b>	<b>13.52%</b>

**Budget Year Comparison**

**120-Office of the General Counsel**

The overall budget increased by \$947,242 or 13.52%, due to increases in outside counsel, training, travel, office supplies, printing, publications, memberships, consultant fees, court costs, as well as increases in performance incentives and benefits costs.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
MTW Fund	\$5,346,645	\$5,309,943	\$7,005,574	\$7,952,816	13.52%
<b>Grand Total</b>	<b>\$5,346,645</b>	<b>\$5,309,943</b>	<b>\$7,005,574</b>	<b>\$7,952,816</b>	<b>13.52%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
Non-Personnel	\$819,891	\$613,460	\$1,473,355	\$1,722,500	16.91%
Personnel	4,526,754	4,696,483	5,532,219	6,230,316	12.62%
<b>Grand Total</b>	<b>\$5,346,646</b>	<b>\$5,309,943</b>	<b>\$7,005,574</b>	<b>\$7,952,816</b>	<b>13.52%</b>

**2022 Accomplishments**

- Updated CHA’s General Conditions to attach to Purchase Orders related to small purchase requisitions
- Implemented Standard Operating Procedures (SOP) to streamline the preparation of contracts
- Finalized sublease of the two floors of CHA office space to the State of Illinois

**2023 Goals**

- Create uniform standards for all CHA legal documents
- Align CHA public housing and voucher administrative policies including mixed-income properties
- Participate and provide guidance on multiple real estate closings

**Cost Center Descriptions**

**Office of the General Counsel (120)** The Office of the General Counsel (OGC) provides advice and counsel to the Board of Commissioners and Management on a variety of business, operational, and legal issues. The OGC represents the CHA before judicial and administrative tribunals and assists divisions by drafting contracts and policies, adjudicating disputes, and developing, negotiating, and closing the mixed finance deals for the development of new and rehabilitated housing units. The OGC further oversees the CHA's ADA/Section 504 Compliance Department and supervises compliance of the CHA Ethics Policy. The OGC oversees the CHA's Fair Housing Compliance requirements, as well as the Admissions and Continued Occupancy Policy. Lastly, the OGC also manages the HCV Informal Hearing process.

**Total Revenue**

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 BUDGET	FY2023 BUDGET	
	REVENUE	REVENUE	REVENUE	REVENUE	% OF CHANGE
<b>120 - Office of the General Counsel</b>					
MTW Fund	\$5,346,645	\$5,309,943	\$7,005,574	\$7,952,816	13.52%
<b>120 - Office of the General Counsel Total</b>	<b>\$5,346,645</b>	<b>\$5,309,943</b>	<b>\$7,005,574</b>	<b>\$7,952,816</b>	<b>13.52%</b>
<b>Grand Total</b>	<b>\$5,346,645</b>	<b>\$5,309,943</b>	<b>\$7,005,574</b>	<b>\$7,952,816</b>	<b>13.52%</b>

**Total Expenditures**

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 BUDGET	FY2023 BUDGET	
	EXPENDITURES	EXPENDITURES	EXPENDITURES	EXPENDITURES	% OF CHANGE
<b>120 - Office of the General Counsel</b>					
Non-Personnel	\$819,891	\$613,460	\$1,473,355	\$1,722,500	16.91%
Personnel	\$4,526,754	\$4,696,483	\$5,532,219	\$6,230,316	12.62%
<b>120 - Office of the General Counsel Total</b>	<b>\$5,346,646</b>	<b>\$5,309,943</b>	<b>\$7,005,574</b>	<b>\$7,952,816</b>	<b>13.52%</b>
<b>Grand Total</b>	<b>\$5,346,646</b>	<b>\$5,309,943</b>	<b>\$7,005,574</b>	<b>\$7,952,816</b>	<b>13.52%</b>

**FY2023 Budget**

	Personnel	Legal Expense	Training	Travel	Sundry	Total
<b>120-General Counsel</b>	\$6,230,316	\$935,000	\$50,000	\$15,000	\$722,500	\$7,952,816





## INSPECTOR GENERAL

The Office of the Inspector General (OIG) provides independent oversight of CHA programs through criminal and administrative investigations, reviews, and audits. The OIG reports its findings to the Audit Committee of the Board of Commissioners.



Seniors enjoy their gift bags at the Summer Music Festival at XS Tennis Village in Bronzeville in August.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>Office of the Inspector General</b>					
125 - Office of the Inspector General	\$1,279,327	\$1,366,208	\$1,841,676	\$2,013,109	9.31%
<b>Office of the Inspector General</b>	<b>\$1,279,327</b>	<b>\$1,366,208</b>	<b>\$1,841,676</b>	<b>\$2,013,109</b>	<b>9.31%</b>

**Budget Year Comparison**

**125-Office of Inspector General**

The overall budget increased by \$171,433, or 9.31%, due to increases in performance incentives and benefits costs.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
MTW Fund	\$1,279,327	\$1,366,208	\$1,841,676	\$2,013,109	9.31%
<b>Grand Total</b>	<b>\$1,279,327</b>	<b>\$1,366,208</b>	<b>\$1,841,676</b>	<b>\$2,013,109</b>	<b>9.31%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
Non-Personnel	\$20,564	\$27,936	\$102,800	\$95,000	-7.59%
Personnel	\$1,258,763	\$1,338,272	\$1,738,876	\$1,918,109	10.31%
<b>Grand Total</b>	<b>\$1,279,327</b>	<b>\$1,366,208</b>	<b>\$1,841,676</b>	<b>\$2,013,109</b>	<b>9.31%</b>

**2022 Accomplishments**

- Obtained four criminal convictions, five new indictments, and a total of \$224,817 in court ordered restitution to the CHA by those found to have defrauded the CHA.
- Launched Procurement Integrity Monitoring Program to identify red flags in CHA procurement and contract management.
- Trained all CHA employees and HCV contractors in fraud prevention and OIG operations.

**2023 Goals**

- Issue approximately four performance audits as detailed in the 2023 Audit Plan.
- Perform proactive data analytics projects to identify red flags for fraud, and risk indicators.
- Develop and implement three-year OIG Strategic Plan to ensure operations effectively and efficiently achieve the OIG’s mission.

**Cost Center Descriptions**

**Office of Inspector General (125)** The OIG receives, registers, and investigates complaints and information from any source, and cooperates with the Authority’s Ethics Officer who may receive such complaints, pertaining to waste, fraud, and abuse within the Authority’s contractors, subcontractors, consultants, or vendors. The OIG investigates allegations of fraud or collusion involving Authority contracts and/or contractors, subcontractors, consultants, or vendors as well as the misuse, embezzlement or theft of Authority resources, conflicts of interest, bribery or misconduct involving Authority personnel, or other unethically or illegal activities involving Authority property, officers, employees, Board members, agents, contractor, subcontractors, consultants, or vendors.

The OIG reviews the conduct and performance of the Authority’s officers, employees Board members, agents, and contractors. The OIG may review the Authority’s officers, employees, Board members, agents, and contractors. The OIG may review the Authority’s policies, procedures, functions, and programs, either in response to a complaint or on the Inspector General’s own initiative, in order to detect and prevent waste, fraud, abuse or misconduct, and promote efficiencies within the programs and operations of the Authority.

**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
<b>125 - Office of the Inspector General</b>					
MTW Fund	\$1,279,327	\$1,366,208	\$1,841,676	\$2,013,109	9.31%
<b>125 - Office of the Inspector General Total</b>	<b>\$1,279,327</b>	<b>\$1,366,208</b>	<b>\$1,841,676</b>	<b>\$2,013,109</b>	<b>9.31%</b>
<b>Grand Total</b>	<b>\$1,279,327</b>	<b>\$1,366,208</b>	<b>\$1,841,676</b>	<b>\$2,013,109</b>	<b>9.31%</b>

**Total Expenditures**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>125 - Office of the Inspector General</b>					
Non-Personnel	\$20,564	\$27,936	\$102,800	\$95,000	-7.59%
Personnel	\$1,258,763	\$1,338,272	\$1,738,876	\$1,918,109	10.31%
<b>125 - Office of the Inspector General Total</b>	<b>\$1,279,327</b>	<b>\$1,366,208</b>	<b>\$1,841,676</b>	<b>\$2,013,109</b>	<b>9.31%</b>
<b>Grand Total</b>	<b>\$1,279,327</b>	<b>\$1,366,208</b>	<b>\$1,841,676</b>	<b>\$2,013,109</b>	<b>9.31%</b>

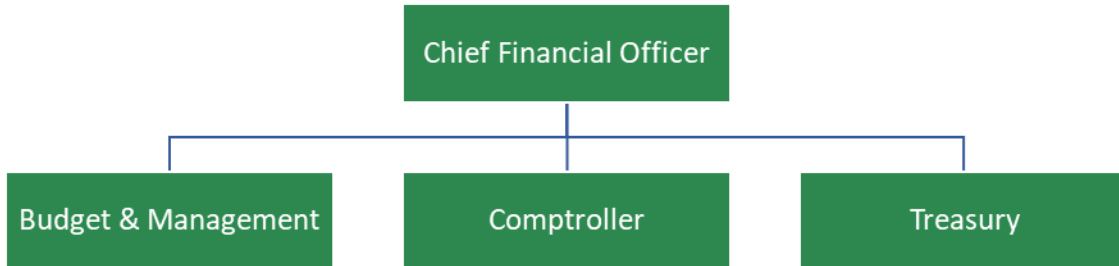
**FY2023 Budget**

	Personnel	Training	Travel	Sundry	Total
<b>125-Office of the Inspector General</b>	\$1,918,109	\$7,000	\$9,000	\$79,000	\$2,013,109



## FINANCE AND TREASURY

The Finance and Treasury Division is responsible for all accounting, budgeting, banking, cash management, and investment activities of the Authority. This includes providing the Board, Executive Management, staff and outside entities with timely budget and financial information, as well as facilitating the most efficient utilization of Authority resources.



CHA youth who participate in the summer Learn and Earn program learn culinary skills at a cooking workshop this summer.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>Finance and Treasury</b>					
200 - Chief Financial Officer (CFO)	\$767,107	\$398,431	\$6,596,976	\$3,559,338	-46.05%
201 - Budget and Management	1,803,561	1,816,320	2,023,683	2,170,989	7.28%
202 - Comptroller	4,744,445	4,739,253	5,413,659	5,949,565	9.90%
203 - Treasury	1,155,518	1,034,909	1,047,873	1,359,852	29.77%
<b>Finance and Treasury</b>	<b>\$8,470,631</b>	<b>\$7,988,913</b>	<b>\$15,082,191</b>	<b>\$13,039,744</b>	<b>-13.54%</b>

**Budget Year Comparison**

**200-Chief Financial Officer (CFO)**

The overall budget decreased by \$3,037,638, or -46.05%, mainly due to lower contingency which in 2022 included market-driven salary increases identified in a compensation study.

**201-Budget & Management**

The overall budget increased by \$147,306, or 7.28%, mainly due to increases in performance incentives and benefits costs.

**202-Comptroller**

The overall budget increased by \$535,906, or 9.90%, due to the addition of 1 FTE and increases in performance incentives and benefits costs.

**203-Treasury**

The overall budget increased by \$311,979, or 29.77%, due to the addition of 1 FTE and increases in training, performance incentives, and benefits costs.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
MTW Funding	\$8,658,126	\$7,729,290	\$15,082,191	\$13,039,744	-13.54%
Other Funding	-187,495	259,623	0	0	0.00%
<b>Grand Total</b>	<b>\$8,470,631</b>	<b>\$7,988,913</b>	<b>\$15,082,191</b>	<b>\$13,039,744</b>	<b>-13.54%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
Non-Personnel	\$701,788	\$798,002	\$7,609,195	\$4,547,800	-40.23%
Personnel	7,768,843	7,190,911	7,472,996	8,491,944	13.64%
<b>Grand Total</b>	<b>\$8,470,631</b>	<b>\$7,988,913</b>	<b>\$15,082,191</b>	<b>\$13,039,744</b>	<b>-13.54%</b>

### 2022 Accomplishments

- Improved financial reporting timelines and utility
- Implemented new Governmental Accounting Standard Board capital lease accounting standard (GASB 87)
- Managed the application of Emergency Rental Assistance Program (ERAP) funds to resident accounts

### 2023 Goals

- Complete Authority-wide training on cash management and depository processes and procedures
- Streamline the end-to-end procure to pay process
- Implement new enterprise resource planning (ERP) system for CHA

### Cost Center Descriptions

**Chief Financial Officer (200)** The Chief Financial Officer is responsible for ensuring the financial stability of the Chicago Housing Authority. The Chief Financial Officer is charged with enforcement of all financial policies established by the Chief Executive Officer and the Board of Commissioners. To perform this task, the Chief Financial Officer develops procedures to ensure compliance with federal, state, and local governmental regulations.

**Budget & Management (201)** Budget and Management is responsible for coordinating the development, presentation, execution, and control of the annual comprehensive budget. OBM manages the fiscal resources of CHA and provides executive management, staff and outside entities with timely budget and financial information for decision-making.

**Comptroller (202)** The Comptroller's Office is responsible for the maintenance of accounting records, capturing the Authority's financial, operating and capital activity based on Generally Accepted Accounting Principles (GAAP). Additionally, the group is responsible for internal and external financial reporting. The operating areas within the group include general accounting, financial reporting, accounts payable, payroll, property accounting, and Housing Choice Voucher finance.

**Treasury (203)** The Treasury Department is responsible for the cash management and investment activities of the Authority. These activities include fiscal oversight in connection with the various Investment, Debt and Grant portfolios. Additionally, Treasury maintains administration and control of electronic banking management for the Authority as well as designated third parties.



**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
<b>200 - Chief Financial Officer (CFO)</b>					
MTW Fund	\$955,702	\$138,808	\$6,596,976	\$3,559,338	-46.05%
Other Funding	-188,594	259,623	0	0	0.00%
<b>200 - Chief Financial Officer (CFO) Total</b>	<b>\$767,107</b>	<b>\$398,431</b>	<b>\$6,596,976</b>	<b>\$3,559,338</b>	<b>-46.05%</b>
<b>201 - Budget and Management</b>					
MTW Fund	\$1,803,561	\$1,816,320	\$2,023,683	\$2,170,989	7.28%
<b>201 - Budget and Management Total</b>	<b>\$1,803,561</b>	<b>\$1,816,320</b>	<b>\$2,023,683</b>	<b>\$2,170,989</b>	<b>7.28%</b>
<b>202 - Comptroller</b>					
MTW Fund	\$4,744,445	\$4,739,253	\$5,413,659	\$5,949,565	9.90%
<b>202 - Comptroller Total</b>	<b>\$4,744,445</b>	<b>\$4,739,253</b>	<b>\$5,413,659</b>	<b>\$5,949,565</b>	<b>9.90%</b>
<b>203 - Treasury</b>					
MTW Fund	\$1,154,419	\$1,034,909	\$1,047,873	\$1,359,852	29.77%
Other Funding	1,099	0	0	0	0.00%
<b>203 - Treasury Total</b>	<b>\$1,155,518</b>	<b>\$1,034,909</b>	<b>\$1,047,873</b>	<b>\$1,359,852</b>	<b>29.77%</b>
<b>Grand Total</b>	<b>\$8,470,631</b>	<b>\$7,988,913</b>	<b>\$15,082,191</b>	<b>\$13,039,744</b>	<b>-13.54%</b>

**Total Expenditures**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>200 - Chief Financial Officer (CFO)</b>					
Non-Personnel	-\$1,597	\$55,569	\$6,228,900	\$3,155,100	-49.35%
Personnel	768,704	342,862	368,076	404,238	9.82%
<b>200 - Chief Financial Officer (CFO) Total</b>	<b>\$767,107</b>	<b>\$398,431</b>	<b>\$6,596,976</b>	<b>\$3,559,338</b>	<b>-46.05%</b>
<b>201 - Budget and Management</b>					
Non-Personnel	\$32,988	\$37,506	\$54,096	\$48,750	-0.10%
Personnel	1,770,573	1,778,814	1,969,587	2,122,239	7.75%
<b>201 - Budget and Management Total</b>	<b>\$1,803,561</b>	<b>\$1,816,320</b>	<b>\$2,023,683</b>	<b>\$2,170,989</b>	<b>7.28%</b>
<b>202 - Comptroller</b>					
Non-Personnel	\$472,331	\$478,819	\$1,122,047	\$1,152,900	2.75%
Personnel	4,272,114	4,260,434	4,291,612	4,796,665	11.77%
<b>202 - Comptroller Total</b>	<b>\$4,744,445</b>	<b>\$4,739,253</b>	<b>\$5,413,659</b>	<b>\$5,949,564</b>	<b>9.90%</b>
<b>203 - Treasury</b>					
Non-Personnel	\$198,066	\$226,108	\$204,152	\$191,050	-6.42%
Personnel	957,452	808,801	843,721	1,168,802	38.53%
<b>203 - Treasury Total</b>	<b>\$1,155,518</b>	<b>\$1,034,909</b>	<b>\$1,047,873</b>	<b>\$1,359,852</b>	<b>29.77%</b>
<b>Grand Total</b>	<b>\$8,470,631</b>	<b>\$7,988,913</b>	<b>\$15,082,191</b>	<b>\$13,039,744</b>	<b>-13.54%</b>

**FY2023 Budget**

	Personnel	Accounting & Auditing	Training	Travel	Sundry	General Expense	Total
200-Chief Financial Officer	\$404,238		\$1,000	\$2,500	\$151,600	\$3,000,000	\$3,559,338
201-Budget and Management	2,122,239		15,000	3,000	30,750		\$2,170,989
202-Comptroller	4,796,665	1,070,000	18,000	11,750	53,150		\$5,949,565
203-Treasury	1,168,802		6,500	5,000	179,550		\$1,359,852
<b>Finance and Treasury Total</b>	<b>\$8,491,944</b>	<b>\$1,070,000</b>	<b>\$40,500</b>	<b>\$22,250</b>	<b>\$415,050</b>	<b>\$3,000,000</b>	<b>\$13,039,744</b>

## HUMAN RESOURCES

The Human Resources Division is responsible for providing agency-wide guidance and support in the areas of human resources, diversity & inclusion, risk management, and professional learning.



CHA summer 2022 interns gained valuable experience to prepare them for future employment.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
208 - Diversity & Inclusion	\$1,518,652	\$1,383,090	\$1,054,029	\$536,568	-49.09%
213 - Risk Management	746,101	823,877	1,312,490	1,519,118	15.74%
214 - Professional Learning	626,280	589,603	658,361	740,548	12.48%
230 - Human Resources	1,621,255	1,856,965	2,203,854	2,751,378	24.84%
<b>Administration</b>	<b>\$4,512,288</b>	<b>\$4,653,536</b>	<b>\$5,228,734</b>	<b>\$5,547,612</b>	<b>6.10%</b>

**Budget Year Comparison**

**208-Diversity & Inclusion**

The overall budget decreased by \$517,461, or 49.09%, primarily due to the reduction of 3 vacant FTEs and decreases in contract costs, training, consultant fees and advertising.

**213-Risk Management**

The overall budget increased by \$206,628, or 15.74%, primarily due to increases in general liability/auto premiums and accounting/auditing costs.

**214-Professional Learning**

The overall budget increased by \$82,187, or 12.48%, primarily due to increases to membership dues, meeting costs, training, performance incentives, and benefits costs.

**230-Human Resources**

The overall budget increased by \$547,524, or 24.84%, primarily due to increases in consultant fees and training.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF
MTW Fund	\$4,512,288	\$4,653,536	\$5,228,734	\$5,547,612	6.10%
<b>Grand Total</b>	<b>\$4,512,288</b>	<b>\$4,653,536</b>	<b>\$5,228,734</b>	<b>\$5,547,612</b>	<b>6.10%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF
Non-Personnel	\$1,748,788	\$2,088,920	\$1,953,911	\$2,389,100	22.27%
Personnel	2,763,499	2,564,616	3,274,823	3,158,512	-3.55%
<b>Grand Total</b>	<b>\$4,512,288</b>	<b>\$4,653,536</b>	<b>\$5,228,734</b>	<b>\$5,547,612</b>	<b>6.10%</b>

**2022 Accomplishments**

- Implemented new Human Resources Information System
- Streamlined FMLA process and created in-house FMLA Program
- Completed and implemented compensation study program and philosophy

**2023 Goals**

- Develop long-term agency succession plans
- Expand leadership and professional development opportunities
- Increase workforce capacity by providing cross-training opportunities for staff

**Cost Center Descriptions**

**Diversity & Inclusion (208)** The Department of Diversity & Inclusion engages the broader community (*including protected classes*) to ensure that the interests of diverse groups are engaged and fairly represented in CHA’s policies and practices.

**Risk Management (213)** The Risk Management department is responsible for coordinating and managing liability insurance for the Chicago Housing Authority; managing claim adjustment and resolution of claims reported against the Authority; ensuring contract compliance by vendors.

**Professional Learning (214)** Training is responsible for CHA’s talent management strategy and facilitates employee access to resources, knowledge, and experiences necessary to gain skills and competencies needed or required for all CHA personnel.

**Human Resources (230)** Human Resources provides strategic counsel and guidance on all human resource and personnel matters for the Chicago Housing Authority. The department is responsible for recruitment and retention, compensation and benefit administration, performance management, and employee labor relations.

**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
<b>208 - Diversity &amp; Inclusion</b>					
MTW Fund	\$1,518,652	\$1,383,090	\$1,054,029	\$536,568	-49.09%
<b>208 - Diversity &amp; Inclusion Total</b>	<b>\$1,518,652</b>	<b>\$1,383,090</b>	<b>\$1,054,029</b>	<b>\$536,568</b>	<b>-49.09%</b>
<b>213 - Risk Management</b>					
MTW Fund	\$746,101	\$823,877	\$1,312,490	\$1,519,118	15.74%
<b>213 - Risk Management Total</b>	<b>\$746,101</b>	<b>\$823,877</b>	<b>\$1,312,490</b>	<b>\$1,519,118</b>	<b>15.74%</b>
<b>214 - Professional Learning</b>					
MTW Fund	\$626,280	\$589,603	\$658,361	\$740,548	12.48%
<b>214 - Professional Learning Total</b>	<b>\$626,280</b>	<b>\$589,603</b>	<b>\$658,361</b>	<b>\$740,548</b>	<b>12.48%</b>
<b>230 - Human Resources</b>					
MTW Fund	\$1,621,255	\$1,856,965	\$2,203,854	\$2,751,378	24.84%
<b>230 - Human Resources Total</b>	<b>\$1,621,255</b>	<b>\$1,856,965</b>	<b>\$2,203,854</b>	<b>\$2,751,378</b>	<b>24.84%</b>
<b>Grand Total</b>	<b>\$4,512,288</b>	<b>\$4,653,536</b>	<b>\$5,228,734</b>	<b>\$5,547,612</b>	<b>6.10%</b>

**Total Expenditures**

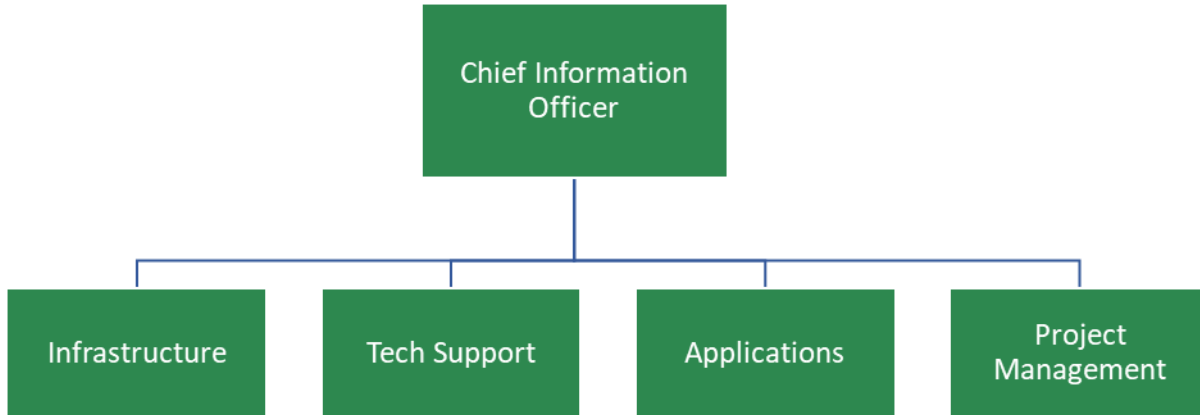
	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>208 - Diversity &amp; Inclusion</b>					
Non-Personnel	\$1,069,585	\$1,067,623	\$514,992	\$284,000	-44.85%
Personnel	449,067	315,467	539,037	252,568	-53.14%
<b>208 - Diversity &amp; Inclusion Total</b>	<b>\$1,518,652</b>	<b>\$1,383,090</b>	<b>\$1,054,029</b>	<b>\$536,568</b>	<b>-49.09%</b>
<b>213 - Risk Management</b>					
Non-Personnel	\$540,395	\$615,133	\$1,080,700	\$1,267,600	17.29%
Personnel	205,706	208,744	231,790	251,518	8.51%
<b>213 - Risk Management Total</b>	<b>\$746,101</b>	<b>\$823,877</b>	<b>\$1,312,490</b>	<b>\$1,519,118</b>	<b>15.74%</b>
<b>214 - Professional Learning</b>					
Non-Personnel	\$33,398	\$34,801	\$70,500	\$108,500	53.90%
Personnel	592,882	554,802	587,861	632,048	7.52%
<b>214 - Professional Learning Total</b>	<b>\$626,280</b>	<b>\$589,603</b>	<b>\$658,361</b>	<b>\$740,548</b>	<b>12.48%</b>
<b>230 - Human Resources</b>					
Non-Personnel	\$105,410	\$371,363	\$287,719	\$729,000	153.37%
Personnel	1,515,845	1,485,602	1,916,135	2,022,378	5.54%
<b>230 - Human Resources Total</b>	<b>\$1,621,255</b>	<b>\$1,856,965</b>	<b>\$2,203,854</b>	<b>\$2,751,378</b>	<b>24.84%</b>
<b>Grand Total</b>	<b>\$4,512,288</b>	<b>\$4,653,536</b>	<b>\$5,228,734</b>	<b>\$5,547,612</b>	<b>6.10%</b>

**FY2023 Budget**

	Personnel	Sundry	Training	Travel	Contracts	Accounting & Auditing	General Expense	Total
208-Diversity & Inclusion	\$252,568	\$32,000	\$2,000		\$250,000			\$536,568
213-Risk Management	251,518	2,600				40,000	1,225,000	1,519,118
214-Professional Learning	632,048	13,500	95,000					740,548
230-Human Resources	2,022,378	476,000	250,000	3,000				2,751,378
<b>HR &amp; Admin Total</b>	<b>\$3,158,512</b>	<b>\$524,100</b>	<b>\$347,000</b>	<b>\$3,000</b>	<b>\$250,000</b>	<b>\$40,000</b>	<b>\$1,225,000</b>	<b>\$5,547,612</b>

## INFORMATION TECHNOLOGY

Information Technology is responsible for providing the technical resources and information security necessary for all CHA Divisions (including hardware, software, networks, programs, and technical support) to operate effectively.



*This division organizational chart reflects functional areas (not cost centers) within the division.*



In April, CHA's Resident Services Department, in partnership with PCs for People, donated 140 devices (desktops and tablets) to public housing residents and HCV participants.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
210 - Information Technology	\$15,078,212	\$13,199,785	\$13,017,247	\$16,462,837	26.47%
<b>Information Technology</b>	<b>\$15,078,212</b>	<b>\$13,199,785</b>	<b>\$13,017,247</b>	<b>\$16,462,837</b>	<b>26.47%</b>

**Budget Year Comparison**

**210-Information Technology**

The overall budget increased by \$3.4M, or 26.47%, mainly due to increases in ordinary maintenance contract costs, equipment additions-computers, and consultant fees.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
MTW Fund	\$12,640,398	\$13,199,785	\$13,017,247	\$16,462,837	26.47%
Other Funding	2,437,814				
<b>Grand Total</b>	<b>\$15,078,212</b>	<b>\$13,199,785</b>	<b>\$13,017,247</b>	<b>\$16,462,837</b>	<b>26.47%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
Non-Personnel	\$10,796,903	\$8,803,323	\$8,175,367	\$11,249,252	37.60%
Personnel	4,281,309	4,396,462	4,841,880	5,213,586	7.68%
<b>Grand Total</b>	<b>\$15,078,212</b>	<b>\$13,199,785</b>	<b>\$13,017,247</b>	<b>\$16,462,837</b>	<b>26.47%</b>

**2022 Accomplishments**

- Migrated and upgraded camera network at 100 small, medium and large family properties
- Completed the new mobile services implementation
- Implemented Inspection Audit application that integrates with Yardi Voyager

**2023 Goals**

- Expand Enterprise Content Management System (iFile) by digitizing agency historical files into central repository
- Deliver new quality control function for HCV's Enforcement Audit that integrates with Yardi to eliminate manual data entry
- Develop new CHA website

**Cost Center Descriptions**

**Information Technology (210)** Information Technology Division is responsible for providing the technical resources necessary for all CHA Divisions (including hardware, software, programming, and technical support) to operate effectively.

**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
<b>210 - Information Technology (IT)</b>					
MTW Fund	\$12,640,398	\$13,199,785	\$13,017,247	\$16,462,837	26.47%
Other Funding	2,437,814				
<b>210 - Information Technology (IT) Total</b>	<b>\$15,078,212</b>	<b>\$13,199,785</b>	<b>\$13,017,247</b>	<b>\$16,462,837</b>	<b>26.47%</b>
<b>Grand Total</b>	<b>\$15,078,212</b>	<b>\$13,199,785</b>	<b>\$13,017,247</b>	<b>\$16,462,837</b>	<b>26.47%</b>

**Total Expenditures**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>210 - Information Technology (IT)</b>					
Non-Personnel	\$10,796,903	\$8,803,323	\$8,175,367	\$11,249,252	37.60%
Personnel	4,281,309	4,396,462	4,841,880	5,213,586	7.68%
<b>210 - Information Technology (IT) Total</b>	<b>\$15,078,212</b>	<b>\$13,199,785</b>	<b>\$13,017,247</b>	<b>\$16,462,837</b>	<b>26.47%</b>
<b>Grand Total</b>	<b>\$15,078,212</b>	<b>\$13,199,785</b>	<b>\$13,017,247</b>	<b>\$16,462,837</b>	<b>26.47%</b>

**FY2023 Budget**

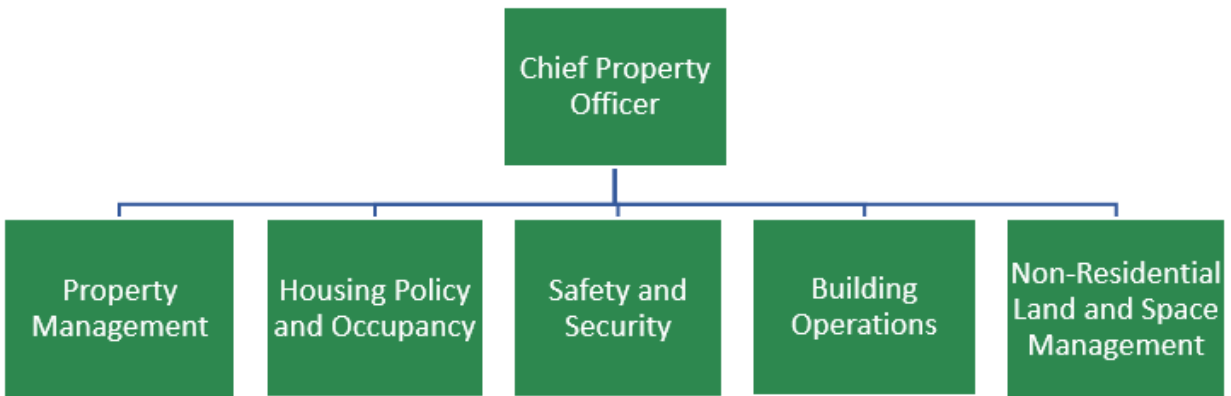
	Personnel	Sundry	Training	Travel	Contracts	Equipment	Total
<b>210-Information Technology (IT)</b>	\$5,213,586	\$5,468,197	\$106,145	\$5,341	\$3,819,569	\$1,850,000	\$16,462,837





## PROPERTY AND ASSET MANAGEMENT

The Property and Asset Management division consists of five departments collaborating to direct the operations of CHA’s property-based investments. This office collectively oversees the operations and compliance of 80 developments comprised of more than 20,000 housing units. The five departments include Asset Management; Housing Policy and Occupancy; Safety and Security; Planning, Construction Management and Building Operations; and Non-Residential/vacant land management.



Mayor Lori E. Lightfoot and CHA CEO Tracey Scott joined Mattie Butler (seated), elected officials and other dignitaries in May at the rededication of Mattie Butler Apartments, developed by POAH.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>Property and Asset Management Division</b>					
440 - Charles A. Hayes Investment Center	\$ 2,208,257	\$ 1,414,072	\$ 1,757,215	\$ 1,793,714	2.08%
441 - Pope Building	352,357	720,656	894,380	844,745	-5.55%
442 - Overton Building	109,864	386,356	530,653	450,000	-15.20%
444 - Vacant Land	10,369	1,839,563	2,083,978	3,675,357	76.36%
510 - Private Property Management (PPM)	187,403,566	163,083,296	200,280,873	209,221,378	4.46%
511 - Asset Management Portfolio	6,490,929	9,197,686	9,882,839	15,874,377	60.63%
530 - Safety & Security	2,875,941	2,775,121	2,922,965	1,861,989	-36.30%
550 - Oakland Community Center	102,972	112,957	168,461	314,900	86.93%
629 - Taylor Park				200,000	n/a
773 - Altgeld Town Center/Family Resource	10,531	141,207	762,437	785,310	3.00%
998 - Sustainable Initiatives	22,441,490	23,519,968	22,389,265	26,728,000	19.38%
<b>Total Property Asset Management Division</b>	<b>\$ 222,006,276</b>	<b>\$ 203,190,882</b>	<b>\$ 241,673,066</b>	<b>\$ 261,749,770</b>	<b>8.31%</b>

**440 - Charles A Hayes Investment Center (FIC)**

The budget increased by \$36,499, or 2.08%, primarily due to increases to security and maintenance costs.

**441- Pope Building**

The budget decreased by \$49,635, or 5.55%, primarily due to reduced security cost.

**442 - Overton Building**

The budget decreased by \$80,653, or 15.20%, primarily due to transfer of Overton rent budget to the HCV division.

**444 - Vacant Land**

The budget increased by \$1,591,379, or 76.36%, due to increases to costs of snow removal and land maintenance.

**510 - Private Property Management (PPM)**

The budget increased by \$8,940,505, or 4.64%, due to increases to residential property operating expenses.

**511 - Asset Management Portfolio**

The budget increased by \$5,911,538, or 60.63%, primarily due to 15 additional FTEs from reorganization, the procurement of a digital security platform, shifting moving services contracts and increases to training.

**530 - Safety & Security**

The budget decreased by \$1,060,976, or 36.30%, primarily due to personnel costs associated with concluding the front desk monitor pilot program.

**550 - Oakland Community Center**

The budget increased by \$146,439, or 86.93%, primarily due to the addition of security costs.

**629 – Taylor Park**

This is a new cost center that was created in order to track operating expenses related to the building located at 37-39 West 47<sup>th</sup> Street, Chicago, IL 60609.

**773 – Altgeld Family Resource Center**

The budget increased by \$22,873, or 3.00%, due to increases in costs of materials, supplies and services.

**998 - Sustainable Initiatives**

The budget increased by \$4,338,735, or 19.38%, due to usage and utility contracts.

**Total Revenues and Expenditures**

	<b>FY2020 ACTUAL EXPENDITURES</b>	<b>FY2021 ACTUAL EXPENDITURES</b>	<b>FY2022 BUDGET EXPENDITURES</b>	<b>FY2023 BUDGET EXPENDITURES</b>	<b>% OF CHANGE</b>
MTW Fund	\$172,923,737	\$170,906,563	\$199,556,551	\$233,118,884	16.82%
Other Funding	41,810,414	27,357,356	331,454	200,000	-39.66%
Section 8	7,272,125	4,926,962	41,785,061	28,430,886	-31.96%
<b>Grand Total</b>	<b>\$222,006,276</b>	<b>\$203,190,882</b>	<b>\$241,673,066</b>	<b>\$261,749,770</b>	<b>8.31%</b>

	<b>FY2020 ACTUAL EXPENDITURES</b>	<b>FY2021 ACTUAL EXPENDITURES</b>	<b>FY2022 BUDGET EXPENDITURES</b>	<b>FY2023 BUDGET EXPENDITURES</b>	<b>% OF CHANGE</b>
Non-Personnel	\$207,387,873	\$191,040,259	\$ 228,051,978	\$246,496,729	8.09%
Personnel	14,618,403	12,150,623	13,621,088	15,253,041	11.98%
<b>Grand Total</b>	<b>\$222,006,276</b>	<b>\$203,190,882</b>	<b>\$241,673,066</b>	<b>\$261,749,770</b>	<b>8.31%</b>

**2022 Accomplishments**

- Updated Non-Dwelling and Vacant Land Policy.
- Partnered with CEDA to complete energy efficiency projects at five residential buildings at Dearborn Homes using funding from the Illinois Homes Weatherization Assistance Program.
- Completed Waitlist Update outreach campaign to applicants on CHA’s Public Housing and Project-Based Voucher waitlists

**2023 Goals**

- Implement new Security Management Information System
- Manage Property Needs Assessments across public housing portfolio
- Develop strategy for CHA-owned vacant lots, single family homes and small apartment buildings

## Cost Center Descriptions

**Charles A Hayes Investment Center (FIC) (440)** CHA facility that provides space for administrative meetings for CHA employees and meeting/conference space residents, and community members. CHA's WORC Center is housed here.

**Pope Building (441)** Formerly Nathaniel Pope Elementary School, now referred to as the Pope building. Acquired by CHA in 2017, the facility became the west satellite office for the Housing Choice Voucher (HCV) program in 2019.

**Overton Building (442)** A Chicago landmark located in the historic Bronzeville district, this leased space serves as the HCV south satellite office.

**Vacant Land (444)** Includes all vacant land owned by the Chicago Housing Authority, including tracts surrounding commercial and residential buildings.

**Private Property Management (PPM) (510)** The CHA has contracts with Private Property Management (PPM) firms to manage the day-to-day operations of the public housing units in the CHA's Family, Senior, single family homes and Mixed-Income housing portfolios. The PPM's are responsible for:

- Physical operations and maintenance of the buildings, facilities, equipment, unit interiors, common areas, and grounds.
- Leasing, annual tenant recertification, rent calculation, rent collection, lease enforcement, and community relations.
- Compliance with all applicable CHA, HUD and local rules and regulations governing the operation of public housing.

**Asset Management (511)** Asset Management provides oversight and management of the property managers for the public housing properties to ensure compliance with CHA policies, procedures and contracts. Also responsible for all expenditures related to Housing Policy and Occupancy.

**Safety & Security (530)** Safety & Security operates a 24-hour, seven-day a week, operations and communication center and database that has fully integrated connections to the City's 311 and 911 system and ensures resolution of urgent situations as necessary. Also provides oversight of third-party contracted security firms.

**Oakland Community Center (550)** CHA's non-residential facility located within an approximately 94-acre CHA site that previously included over 3,200 public housing units. It provides programming for the nearly 500 young people at Oakwood Shores.

**Altgeld Family Resource Center (773)** It includes a Chicago Public Library, child-care center, and community meeting place for residents of Altgeld Gardens and surrounding neighborhoods.

**Sustainable Initiatives (998)** Sustainable Initiatives manages utility costs at CHA properties. CHA strives to minimize utility use and cost by actively managing those factors impacting utility usage.

**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
<b>440 - Charles A. Hayes Investment Center (FC)</b>					
MTW Fund	\$ 1,483,757	\$ 1,412,902	\$ 1,757,215	\$ 1,793,714	2.08%
Other Funding	724,500	1,170			
<b>440 - Charles A. Hayes Investment Center (FC)</b>	<b>2,208,257</b>	<b>1,414,072</b>	<b>1,757,215</b>	<b>1,793,714</b>	<b>2.08%</b>
<b>441 - Pope Building</b>					
MTW Fund	352,357	720,656	894,380	844,745	-5.55%
<b>441 - Pope Building Total</b>	<b>352,357</b>	<b>720,656</b>	<b>894,380</b>	<b>844,745</b>	<b>-5.55%</b>
<b>442 - Overton Building - 3619 S. State St</b>					
MTW Fund	109,864	386,356	530,653	450,000	-15.20%
<b>442 - Overton Building - 3619 S. State St Total</b>	<b>109,864</b>	<b>386,356</b>	<b>530,653</b>	<b>450,000</b>	<b>-15.20%</b>
<b>444 - Vacant Land</b>					
MTW Fund	10,369	1,830,143	2,083,978	3,675,357	76.36%
Other Funding		9,420			
<b>444 Vacant Land - Total</b>	<b>10,369</b>	<b>1,839,563</b>	<b>2,083,978</b>	<b>3,675,357</b>	<b>76.36%</b>
<b>510 - Private Property Management (PPM)</b>					
MTW Fund	142,425,878	135,454,405	160,068,727	209,221,378	30.71%
Other Funding	40,131,269	24,429,889			
Section 8 Funding	4,846,420	3,199,003	40,212,146		
<b>510 - Private Property Management (PPM)Total</b>	<b>187,403,566</b>	<b>163,083,296</b>	<b>200,280,873</b>	<b>209,221,378</b>	<b>4.46%</b>
<b>511 - Asset Management Portfolio</b>					
MTW Fund	6,490,929	9,184,735	9,882,839	15,874,377	60.63%
Other Funding		12,951			
<b>511 - Asset Management Portfolio Total</b>	<b>6,490,929</b>	<b>9,197,686</b>	<b>9,882,839</b>	<b>15,874,377</b>	<b>60.63%</b>
<b>530 - Safety and Security</b>					
MTW Fund	2,702,971	2,609,015	2,922,965	1,861,989	-36.30%
Other Funding					
Section 8 Funding	172,971	166,106			
<b>530 - Safety and Security Total</b>	<b>2,875,941</b>	<b>2,775,121</b>	<b>2,922,965</b>	<b>1,861,989</b>	<b>-36.30%</b>
<b>550 - Oakland Community Center</b>					
MTW Fund	102,972	112,957	168,461	314,900	86.93%
<b>550 - Oakland Community Center Total</b>	<b>102,972</b>	<b>112,957</b>	<b>168,461</b>	<b>314,900</b>	<b>86.93%</b>
<b>629 - Taylor Park</b>					
Other Funding				200,000	n/a
<b>629 - Taylor Park Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200,000</b>	<b>n/a</b>
<b>773- Altgeld Town Center/Family Resource</b>					
MTW Fund	10,531	141,207	762,437	785,310	3.00%
<b>773 - Altgeld Town Center/Family Resource</b>	<b>10,531</b>	<b>141,207</b>	<b>762,437</b>	<b>785,310</b>	<b>3.00%</b>
<b>998 - Sustainable Initiatives</b>					
MTW Fund	18,726,287	17,782,312	20,079,265	26,728,000	-33.11%
Other Funding	1,463,154	4,175,802	0	0	0.00%
Section 8 Funding	2,252,049	1,561,853	2,310,000	0	100.00%
<b>998 - Sustainable Initiatives Total</b>	<b>22,441,490</b>	<b>23,519,968</b>	<b>22,389,265</b>	<b>26,728,000</b>	<b>19.38%</b>
<b>Property and Asset Management Division</b>	<b>\$ 222,006,276</b>	<b>\$ 203,190,882</b>	<b>\$ 241,673,066</b>	<b>\$ 261,749,770</b>	<b>8.31%</b>

**Total Expenditures**

	FY2020 ACTUAL EXPENDITURE	FY2021 ACTUAL EXPENDITURE	FY2022 BUDGET EXPENDITURE	FY2023 BUDGET EXPENDITURE	% OF CHANGE
<b>440 - Charles A. Hayes Investment Center (FC)</b>					
Non - Personnel	\$ 1,099,114	\$ 449,387	\$ 672,015	\$ 1,047,341	55.85%
Personnel	1,109,143	964,684	1,085,199	746,373	-31.22%
<b>440 - Charles A. Hayes Investment Center (FC)</b>	<b>\$ 2,208,257</b>	<b>\$ 1,414,072</b>	<b>\$ 1,757,214</b>	<b>\$ 1,793,714</b>	<b>2.08%</b>
<b>441 - Pope Building</b>					
Non - Personnel	247,325	607,596	790,340	731,850	-7.40%
Personnel	105,032	113,060	104,040	112,895	8.51%
<b>441 - Pope Building Total</b>	<b>\$ 352,357</b>	<b>\$ 720,656</b>	<b>\$ 894,380</b>	<b>\$ 844,745</b>	<b>-5.55%</b>
<b>442 - Overton Building - 3619 S. State St</b>					
Non Personnel	109,864	386,356	530,653	450,000	-15.20%
<b>442 - Overton Building - 3619 S. State St Total</b>	<b>\$ 109,864</b>	<b>\$ 386,356</b>	<b>\$ 530,653</b>	<b>\$ 450,000</b>	<b>-15.20%</b>
<b>444 - Vacant Land</b>					
Non - Personnel	0	1,543,470	1,648,000	3,206,000	94.54%
Personnel	10,369	296,093	435,978	469,357	7.66%
<b>444 - Vacant Land Total</b>	<b>\$ 10,369</b>	<b>\$ 1,839,563</b>	<b>\$ 2,083,978</b>	<b>\$ 3,675,357</b>	<b>76.36%</b>
<b>510 - Private Property Management (PPM)</b>					
Non - Personnel	165,004,587	146,191,510	200,280,873	209,221,378	4.46%
Personnel	22,398,293	16,891,786			
<b>510 - Private Property Management (PPM)Total</b>	<b>\$ 187,402,879</b>	<b>\$ 163,083,296</b>	<b>\$ 200,280,873</b>	<b>\$ 209,221,378</b>	<b>4.46%</b>
<b>511 - Asset Management Portfolio</b>					
Non - Personnel	387,115	1,175,683	809,934	3,811,950	370.65%
Personnel	6,103,814	8,022,004	9,072,905	12,062,427	32.95%
<b>511 - Asset Management Portfolio Total</b>	<b>\$ 6,490,929</b>	<b>\$ 9,197,686</b>	<b>\$ 9,882,839</b>	<b>\$ 15,874,377</b>	<b>60.63%</b>
<b>530 - Safety and Security</b>					
Non - Personnel		20,339			
Personnel	2,875,941	2,754,782	2,922,965	1,861,989	-36.30%
<b>530 - Safety and Security Total</b>	<b>\$ 2,875,941</b>	<b>\$ 2,775,121</b>	<b>\$ 2,922,965</b>	<b>\$ 1,861,989</b>	<b>-36.30%</b>
<b>550 - Oakland Community Center</b>					
Non - Personnel	102,972	112,957	168,461	314,900	86.93%
<b>550 - Oakland Community Center Total</b>	<b>\$ 102,972</b>	<b>\$ 112,957</b>	<b>\$ 168,461</b>	<b>\$ 314,900</b>	<b>86.93%</b>
<b>629 -Taylor Park</b>					
Non - Personnel	0	0	0	200,000	
<b>629 - Taylor Park Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>n/a</b>
<b>773 - Altgeld Town Center/Family Resource</b>					
Non - Personnel	10,531	141,207	762,437	785,310	3.00%
<b>773 - Altgeld Town Center/Family Resource</b>	<b>\$ 10,531</b>	<b>\$ 141,207</b>	<b>\$ 762,437</b>	<b>\$ 785,310</b>	<b>3.00%</b>
<b>998 - Sustainable Initiatives</b>					
Non - Personnel	22,442,175	23,519,968	22,389,265	26,728,000	19.38%
<b>998 - Sustainable Initiatives Total</b>	<b>\$ 22,442,175</b>	<b>\$ 23,519,968</b>	<b>\$ 22,389,265</b>	<b>\$ 26,728,000</b>	<b>19.38%</b>
<b>Property and Asset Management Division</b>	<b>\$ 222,006,276</b>	<b>\$ 203,190,882</b>	<b>\$ 241,673,066</b>	<b>\$ 261,749,770</b>	<b>8.31%</b>

FY 2023 Budget

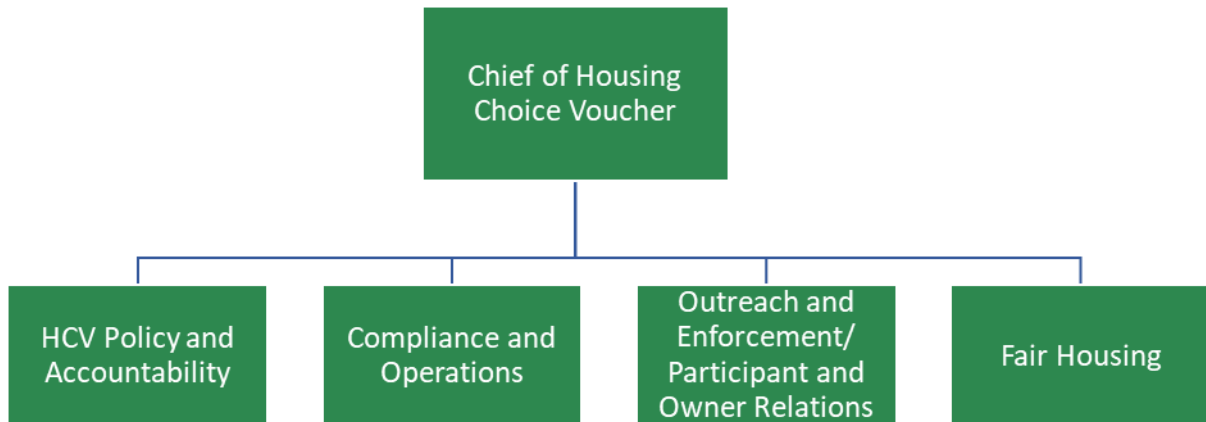
	Personnel	Contracts	General	Materials	Training	Travel	Sundry	Total
<b>Property and Asset Management Division</b>								
440 - Charles A. Hayes Investment Center (FIC)	\$ 746,373	\$ 1,047,341						\$ 1,793,714
441 - Pope Building	112,895	731,850						\$ 844,745
442 - Overton Building - 3619 S. State St		450,000						\$ 450,000
629 - Taylor Park		200,000						\$ 200,000
444 - Vacant Land	469,357	3,206,000						\$ 3,675,357
550 - Oakland Community Center		314,900						\$ 314,900
773- Altgeld Town Center/Family Resource		785,310						\$ 785,310
510 - Private Property Management (PPM)		209,221,378						\$209,221,378
511 - Asset Management Portfolio	12,062,427	1,121,050		127,000	120,000	20,000	2,423,900	\$ 15,874,377
530 - Safety & Security	1,861,989							\$ 1,861,989
998 - Sustainable Initiatives		26,728,000						\$ 26,728,000
<b>Property and Asset Management Division Total</b>	<b>\$ 15,253,041</b>	<b>\$243,805,829</b>	<b>\$ -</b>	<b>\$ 127,000</b>	<b>\$ 120,000</b>	<b>\$ 20,000</b>	<b>\$ 2,423,900</b>	<b>\$261,749,770</b>





## HOUSING CHOICE VOUCHER

CHA's Housing Choice Voucher (HCV) Program (commonly known as Section 8) provides rent subsidies that enables low-income families to rent quality housing in the private market. Using federal funds provided by HUD, CHA pays a portion of eligible families' rent each month directly to the landlord. Families can use their vouchers to rent a house or apartment in the private market throughout the city of Chicago. Because there are more families who need rental assistance than there are funds available, CHA manages a waiting list to administer the program for eligible families.



CHA dedicated a recently refurbished South Side senior building to its longest-serving Commissioner, Dr. Mildred C. Harris.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
520 - Housing Choice Voucher Portfolio (HCV)	\$571,535,980	\$604,572,068	\$644,163,384	\$630,887,720	-2.06%
<b>Housing Choice Voucher</b>	<b>\$571,535,980</b>	<b>\$604,572,068</b>	<b>\$644,163,384</b>	<b>\$630,887,720</b>	<b>-2.06%</b>

**Budget Year Comparison**

**520 - Housing Choice Voucher Portfolio**

The overall budget decreased by approximately \$13,275,664, or 2.06%, mainly due to a decrease in the overall voucher utilization rate.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
MTW Fund	\$545,495,478	\$568,604,958	\$587,432,248	\$570,465,646	-2.89%
Other Funding	5,595	13,918	21,420	22,540	5.23%
Section 8	26,034,908	35,953,192	56,709,716	60,399,534	6.51%
<b>Grand Total</b>	<b>\$571,535,980</b>	<b>\$604,572,068</b>	<b>\$644,163,384</b>	<b>\$630,887,720</b>	<b>-2.06%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
Non-Personnel	\$567,865,619	\$601,029,584	\$640,125,990	\$626,511,045	-2.13%
Personnel	3,670,361	3,542,484	4,037,394	4,376,675	8.40%
<b>Grand Total</b>	<b>\$571,535,980</b>	<b>\$604,572,068</b>	<b>\$644,163,384</b>	<b>\$630,887,720</b>	<b>-2.06%</b>

**2022 Accomplishments**

- Created and implemented new Inspections Quality Control tool
- Hired new Clinical Support Specialist to work with HCV families in crisis
- Implemented The Work Number to better track fraud cases.

**2023 Goals**

- Maintain tenant- and project-based voucher utilization at 97%
- Deliver 107 new PBV units at four properties
- Develop framework to guide future reopening of HCV waitlist.

**Cost Center Descriptions**

**Housing Choice Voucher Portfolio (520)** The Housing Choice Voucher Portfolio (HCV) cost center is responsible for oversight and management of the Housing Choice Voucher Section 8 Program managed by third party administrators and the administration of the Rental Assistance Demonstration (RAD), Emergency Housing, Veterans Affairs Supportive Housing (VASH), Moderate Rehabilitation and Mainstream programs.

**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF REVENUE CHANGE
<b>520 - Housing Choice Voucher Portfolio (HCV)</b>					
MTW Fund	\$545,495,478	\$568,604,958	\$587,432,248	\$570,465,646	-2.89%
Other Funding	5,595	13,918	21,420	22,540	5.23%
Section 8	26,034,908	35,953,192	56,709,716	60,399,534	6.51%
<b>520 - Housing Choice Voucher Portfolio (HCV) Total</b>	<b>\$571,535,980</b>	<b>\$604,572,068</b>	<b>\$644,163,384</b>	<b>\$630,887,720</b>	<b>-2.06%</b>
<b>Grand Total</b>	<b>\$571,535,980</b>	<b>\$604,572,068</b>	<b>\$644,163,384</b>	<b>\$630,887,720</b>	<b>-2.06%</b>

**Total Expenditures**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF EXPENDITURES CHANGE
<b>520 - Housing Choice Voucher Portfolio (HCV)</b>					
Non-Personnel	\$ 567,865,619	\$ 601,029,584	\$ 640,125,990	\$ 626,511,045	-2.13%
Personnel	3,670,361	3,542,484	4,037,394	4,376,675	8.40%
<b>520 - Housing Choice Voucher Portfolio (HCV) Total</b>	<b>\$ 571,535,980</b>	<b>\$ 604,572,068</b>	<b>\$ 644,163,384</b>	<b>\$ 630,887,720</b>	<b>-2.06%</b>
<b>Grand Total</b>	<b>\$ 571,535,980</b>	<b>\$ 604,572,068</b>	<b>\$ 644,163,384</b>	<b>\$ 630,887,720</b>	<b>-2.06%</b>

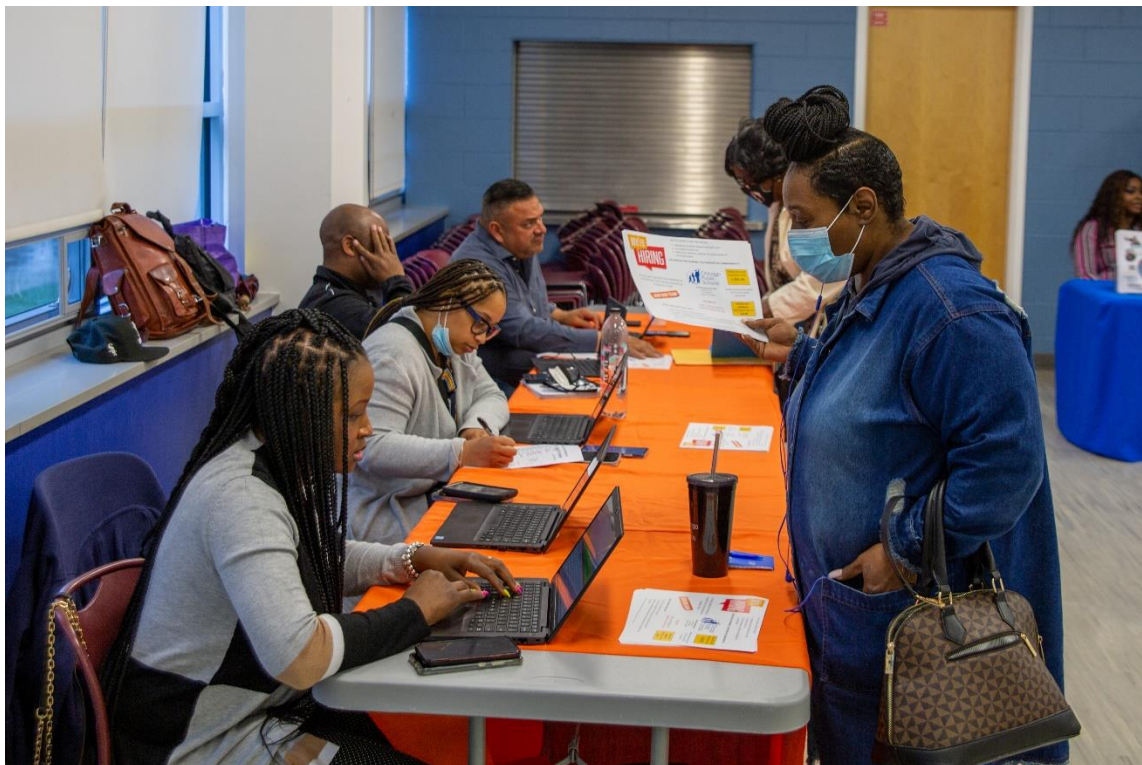
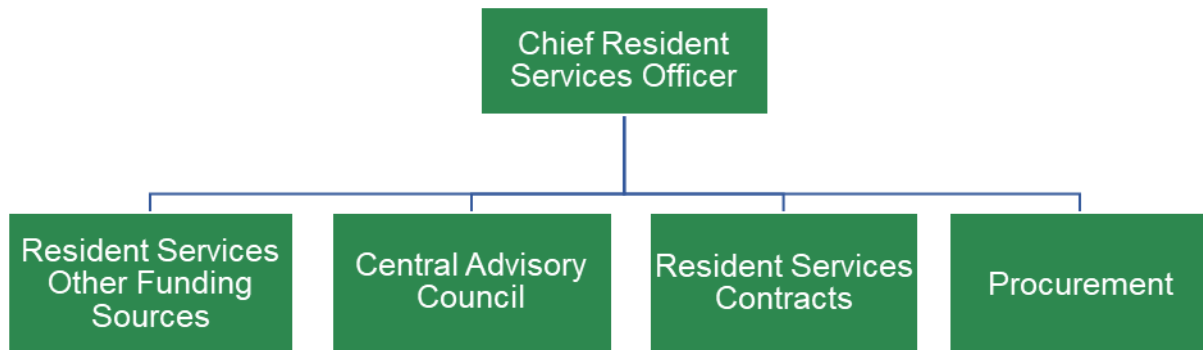
**FY2023 Budget**

	General								Total
	Personnel	HAP	RAD HAP	Contracts	Expense	Sundry Training	Travel		
<b>520 - Housing Choice Voucher Portfolio (HCV)</b>	\$4,376,675	\$570,981,103	\$26,946,520	\$25,727,068	\$1,841,551	\$953,650	\$45,840	\$15,313	\$630,887,720



## RESIDENT SERVICES

The Resident Services Division includes Resident Services, Procurement, Central Advisory Council, and Resident Services Contracts. This division is responsible for the oversight of all resident and supportive services programs to increase the quality of life of all residents and support those on a pathway towards self-sufficiency. This division also manages procurement of goods and services that support the needs of all departments.



The Workforce Opportunity Resource Center (WORC) team provided training and resources for job-seekers at a hiring event held in May.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>Resident Services</b>					
102-Office of Resident Services	\$10,627,024	\$9,555,272	\$9,126,481	\$10,252,864	12.34%
215-Procurement	3,703,734	3,757,281	4,558,039	4,654,584	2.12%
362-Resident Services Other Funding	1,333,442	1,441,956	2,641,360	2,726,283	3.22%
380-Central Advisory Council (CAC)	1,691,587	1,818,009	2,383,760	1,911,320	-19.82%
800-Contract Management & Reporting	27,888,834	26,288,658	27,754,449	27,754,449	0.00%
<b>Resident Services</b>	<b>\$45,244,620</b>	<b>\$42,861,175</b>	<b>\$46,464,089</b>	<b>\$47,299,500</b>	<b>1.80%</b>

**102-Office of Resident Services**

The overall budget increased by \$1,126,383, or 12.34%, primarily due to the net addition of 13 FTEs as a result of the FSS program being transitioned in-house.

**215-Procurement**

The overall budget increased by \$96,545, or 2.12%, primarily due to performance incentives and benefits costs increases offset by a reduction of 6 FTEs.

**362-Resident Services Other Funding Sources**

The overall budget increased by \$84,923, or 3.22%, primarily due to a projected increase in the spending of the Workforce & Education fund (formerly known as Section 3 fund).

**380-Central Advisory Council (CAC)**

The overall budget decreased by \$472,440, or 19.82%, because FY2022 budget included costs for CAC elections.

**800-Contract Management & Reporting**

This budget remained unchanged for 2023, with reallocation of dollars across programs within the cost center.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
MTW Fund	\$43,204,812	\$41,424,576	\$43,822,729	\$44,573,217	1.71%
Other Funding	2,039,809	1,436,600	2,641,360	2,726,283	3.22%
<b>Grand Total</b>	<b>\$45,244,620</b>	<b>\$42,861,175</b>	<b>\$46,464,089</b>	<b>\$47,299,500</b>	<b>1.80%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
Non-Personnel	\$30,155,674	\$28,800,251	\$31,444,528	\$30,049,643	-4.44%
Personnel	15,088,946	14,060,925	15,019,561	17,249,857	14.85%
<b>Grand Total</b>	<b>\$45,244,620</b>	<b>\$42,861,175</b>	<b>\$46,464,089</b>	<b>\$47,299,500</b>	<b>1.80%</b>

### 2022 Accomplishments

- Piloted curriculum for Resident Owned Businesses.
- Served on task force Cash Assistance pilots and established data share agreements for City of Chicago and Cook County pilots.
- Transitioned FamilyWorks program to include CHA staff as service coordination specialists at properties.

### 2023 Goals

- Execute Down Payment Assistance and Safety Net Programs
- Expand outreach and host Homeowner Symposium for Choose to Own participants
- Implement new Resident Owned Business pre-qualified pool mentoring program

### Cost Center Descriptions

**Office of Resident Services (102)** The Office of Resident Services provides oversight for all Resident Services activities, including strategic direction, contract management, communications, and partnerships.

**Procurement (215)** Procurement is responsible for the implementation of agency-wide purchase processes, as well as the management, monitoring and compliance of MBE/WBE/DBE and Section 3 requirements, to ensure full compliance and consistency with CHA standards.

**Resident Services Other Funding Sources (362)** Resident Services seeks grant funded opportunities to support programming for CHA residents.

**Central Advisory Council (380)** The Central Advisory Council (CAC) consists of elected Local Advisory Council Presidents who address matters concerning resident welfare. CHA currently supports the Central Advisory Council through both personnel and operating expenses. The CAC provides input on CHA planning and policies.

**Contracts Management & Reporting (800)** Resident Services contracts with various social service organizations to provide self-sufficiency, youth, and quality of life services for CHA residents.



**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
<b>102 - Office of Resident Services</b>					
MTW Fund	\$10,497,913	\$9,556,942	\$9,126,481	\$10,252,864	12.34%
Other Funding	129,110	-1,670	0	0	0.00%
<b>102 - Office of Resident Services Total</b>	<b>\$10,627,024</b>	<b>\$9,555,272</b>	<b>\$9,126,481</b>	<b>\$10,252,864</b>	<b>12.34%</b>
<b>215 - Procurement</b>					
MTW Fund	\$3,703,734	\$3,757,281	\$4,558,039	\$4,654,584	2.12%
<b>215 - Procurement Total</b>	<b>\$3,703,734</b>	<b>\$3,757,281</b>	<b>\$4,558,039</b>	<b>\$4,654,584</b>	<b>2.12%</b>
<b>362 - Resident Services Other Funding Sources</b>					
Other Funding	\$1,214,575	\$1,404,459	\$2,641,360	\$2,726,283	3.22%
HOPE VI	\$118,867	\$37,498	\$0	\$0	0.00%
<b>362 - Resident Services Other Funding Sources Total</b>	<b>\$1,333,442</b>	<b>\$1,441,956</b>	<b>\$2,641,360</b>	<b>\$2,726,283</b>	<b>3.22%</b>
<b>380 - Central Advisory Council (CAC)</b>					
MTW Fund	\$1,691,587	\$1,818,009	\$2,383,760	\$1,911,320	-19.82%
<b>380 - Central Advisory Council (CAC) Total</b>	<b>\$1,691,587</b>	<b>\$1,818,009</b>	<b>\$2,383,760</b>	<b>\$1,911,320</b>	<b>-19.82%</b>
<b>800 - Contract Management &amp; Reporting</b>					
MTW Fund	\$27,311,577	\$26,292,345	\$27,754,449	\$27,754,449	0.00%
Other Funding	577,257	-3,687	0	0	0.00%
<b>800 - Contract Management &amp; Reporting</b>	<b>\$27,888,834</b>	<b>\$26,288,658</b>	<b>\$27,754,449</b>	<b>\$27,754,449</b>	<b>0.00%</b>
<b>Grand Total</b>	<b>\$45,244,620</b>	<b>\$42,861,175</b>	<b>\$46,464,089</b>	<b>\$47,299,500</b>	<b>1.80%</b>

**Total Expenditures**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>102 - Office of Resident Services</b>					
Non-Personnel	\$705,367	\$834,923	\$139,500	\$183,500	31.54%
Personnel	9,921,656	8,720,349	8,986,981	10,069,364	12.04%
<b>102 - Office of Resident Services Total</b>	<b>\$10,627,024</b>	<b>\$9,555,272</b>	<b>\$9,126,481</b>	<b>\$10,252,864</b>	<b>12.34%</b>
<b>215 - Procurement</b>					
Non-Personnel	\$25,746	\$44,750	\$150,140	\$154,140	2.66%
Personnel	3,677,988	3,712,531	4,407,899	4,500,444	2.10%
<b>215 - Procurement Total</b>	<b>\$3,703,734</b>	<b>\$3,757,281</b>	<b>\$4,558,039</b>	<b>\$4,654,584</b>	<b>2.12%</b>
<b>362 - Resident Services Other Funding Sources</b>					
Non-Personnel	\$1,126,864	\$1,136,410	\$2,332,709	\$1,472,554	-0.37%
Personnel	206,578	305,546	308,651	1,253,729	306.20%
<b>362 - Resident Services Other Funding Sources Total</b>	<b>\$1,333,442</b>	<b>\$1,441,956</b>	<b>\$2,641,360</b>	<b>\$2,726,283</b>	<b>3.22%</b>
<b>380 - Central Advisory Council (CAC)</b>					
Non-Personnel	\$408,863	\$495,510	\$1,067,730	\$485,000	-54.58%
Personnel	1,282,724	1,322,498	1,316,030	1,426,320	8.38%
<b>380 - Central Advisory Council (CAC) Total</b>	<b>\$1,691,587</b>	<b>\$1,818,009</b>	<b>\$2,383,760</b>	<b>\$1,911,320</b>	<b>-19.82%</b>
<b>800 - Contract Management &amp; Reporting</b>					
Non-Personnel	\$27,888,834	\$26,288,658	\$27,754,449	\$27,754,449	0.00%
<b>800 - Contract Management &amp; Reporting Total</b>	<b>\$27,888,834</b>	<b>\$26,288,658</b>	<b>\$27,754,449</b>	<b>\$27,754,449</b>	<b>0.00%</b>
<b>Grand Total</b>	<b>\$45,244,620</b>	<b>\$42,861,175</b>	<b>\$46,464,089</b>	<b>\$47,299,500</b>	<b>1.80%</b>

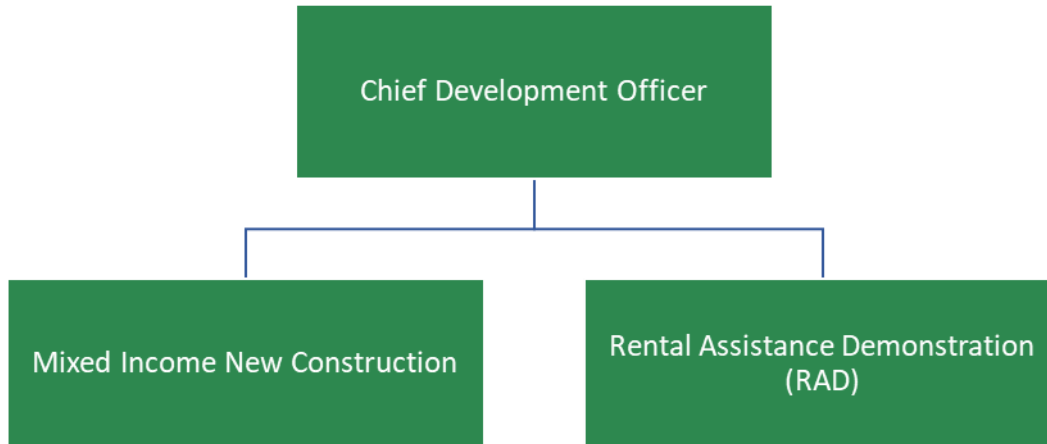
**FY2023 Budget**

	<b>Personnel</b>	<b>Contracts</b>	<b>Training</b>	<b>Travel</b>	<b>Sundry</b>	<b>Materials</b>	<b>Total</b>
<b>102- Office of Resident Services</b>	\$10,069,364		\$40,000	\$20,000	\$63,500	\$60,000	\$10,252,864
<b>215- Procurement</b>	4,500,444		30,000	10,000	114,140		4,654,584
<b>362- Resident Services Other Funding Sources</b>	1,253,729	1,106,385	9,500	12,350	3,000	341,319	2,726,283
<b>380- Central Advisory Council (CAC)</b>	1,426,320	485,000					1,911,320
<b>800- Contract Management &amp; Reporting</b>		27,754,449					27,754,449
<b>Resident Services</b>	<b>\$17,249,857</b>	<b>\$29,345,834</b>	<b>\$79,500</b>	<b>\$42,350</b>	<b>\$180,640</b>	<b>\$401,319</b>	<b>\$47,299,500</b>



## DEVELOPMENT

The Development Division is responsible for partnering with private firms to create mixed-use, mixed-income developments, often on former public housing sites. Development also leads the process to reposition public housing units under the Rental Assistance Demonstration (RAD) program.



*This division organizational chart reflects functional areas (not cost centers) within the division.*



Mayor Lori E. Lightfoot, Commissioner of the Department of Housing, Marisa Novara, CHA Development Director Ahlam Khouri, Bickerdike CEO Joy Aruguete and partners cut the ribbon at the grand opening of the Lucy Gonzalez Parsons Apartments (Emmett Street) developed by Bickerdike Redevelopment Corporation in Logan Square.

**Total Expenditure by Cost Center**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>DEVELOPMENT</b>					
501 - RAD Management	\$302,314	\$401,689	\$486,672	\$528,091	8.51%
586 - Development Management	3,622,252	4,968,954	4,763,142	4,348,909	-8.70%
<b>DEVELOPMENT Total</b>	<b>\$3,924,566</b>	<b>\$5,370,643</b>	<b>\$5,249,814</b>	<b>\$4,877,001</b>	<b>-7.10%</b>

**Budget Year Comparison**

**501-RAD Management**

The overall budget increased by \$41,419, or 8.51%, due to increase in performance incentives and benefits costs.

**586-Development Management**

The overall budget decreased by \$414,233, or 8.70%, mainly due to the net reduction out of 5 FTEs.

**Total Revenues and Expenditures**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
MTW Fund	\$3,924,566	\$5,370,643	\$5,249,814	\$4,877,001	-7.1%
<b>Grand Total</b>	<b>\$3,924,566</b>	<b>\$5,370,643</b>	<b>\$5,249,814</b>	<b>\$4,877,001</b>	<b>-7.1%</b>

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
Non-Personnel	\$33,343	\$84,530	\$326,850	\$290,000	-11.3%
Personnel	3,891,223	5,286,113	4,922,964	4,587,001	-6.8%
<b>Grand Total</b>	<b>\$3,924,566</b>	<b>\$5,370,643</b>	<b>\$5,249,814</b>	<b>\$4,877,001</b>	<b>-7.1%</b>

**2022 Accomplishments**

- Closed Lake Park Crescent refinancing and Park Boulevard 3B
- Negotiated Chicago Fire Football Club ground lease
- Initiated procurement process to begin construction at seven RAD senior buildings

**2023 Goals**

- Implement CHA design guidance
- Deliver 177 new RAD PBV units at five properties
- Close deals on CHA-owned property at LeClaire Courts, Oak & Larrabee, Roosevelt Square, Westhaven, Legends South and Ogden Commons for mixed-income housing development

**Cost Center Descriptions**

**RAD Management (501)** Rental Assistance Demonstration manages the transition of CHA’s senior properties to HUD’s Rental Assistance Demonstration (RAD) program as well as utilizes the RAD program for third-party development of affordable housing.

**Development Management (586)** At the core of CHA’s comprehensive plan is to provide revitalized, safe, modern, and economically responsible housing for its residents. The Office of Development Management is responsible for mixed-income development.

**Total Revenue**

	FY2020 ACTUAL REVENUE	FY2021 ACTUAL REVENUE	FY2022 BUDGET REVENUE	FY2023 BUDGET REVENUE	% OF CHANGE
<b>501 - RAD Management</b>					
MTW Fund	\$302,314	\$401,689	\$486,672	\$528,091	8.51%
<b>501 - RAD Management Total</b>	<b>\$302,314</b>	<b>\$401,689</b>	<b>\$486,672</b>	<b>\$528,091</b>	<b>8.51%</b>
<b>586 - Development Management</b>					
MTW Fund	\$3,622,252	\$4,968,954	\$4,763,142	\$4,348,909	-8.70%
<b>586 - Development Management Total</b>	<b>\$3,622,252</b>	<b>\$4,968,954</b>	<b>\$4,763,142</b>	<b>\$4,348,909</b>	<b>-8.70%</b>
<b>Grand Total</b>	<b>\$3,924,566</b>	<b>\$5,370,643</b>	<b>\$5,249,814</b>	<b>\$4,877,001</b>	<b>-7.10%</b>

**Total Expenditures**

	FY2020 ACTUAL EXPENDITURES	FY2021 ACTUAL EXPENDITURES	FY2022 BUDGET EXPENDITURES	FY2023 BUDGET EXPENDITURES	% OF CHANGE
<b>501 - RAD Management</b>					
Personnel	\$302,314	\$401,206	\$486,672	\$528,091	8.51%
<b>501 - RAD Management Total</b>	<b>\$302,314</b>	<b>\$401,689</b>	<b>\$486,672</b>	<b>\$528,091</b>	<b>8.51%</b>
<b>586 - Development Management</b>					
Non-Personnel	\$33,343	\$84,046	\$326,850	\$290,000	-11.27%
Personnel	3,588,908	4,884,907	4,436,292	4,058,909	-8.51%
<b>586 - Development Management Total</b>	<b>\$3,622,252</b>	<b>\$4,968,954</b>	<b>\$4,763,142</b>	<b>\$4,348,909</b>	<b>-8.70%</b>
<b>Grand Total</b>	<b>\$3,924,566</b>	<b>\$5,370,643</b>	<b>\$5,249,814</b>	<b>\$4,877,001</b>	<b>-7.10%</b>

**FY2023 Budget**

	Personnel	Contracts	General	Training	Travel	Sundry	Total
501-RAD Management	\$528,091						\$528,091
586-Development Management	4,058,909	140,000	2,000	36,000	12,000	100,000	4,348,909
<b>Grand Total</b>	<b>\$4,587,001</b>	<b>\$140,000</b>	<b>\$2,000</b>	<b>\$36,000</b>	<b>\$12,000</b>	<b>\$100,000</b>	<b>\$4,877,001</b>



## DEMOGRAPHIC & STATISTICAL INFORMATION

### CHA DEMOGRAPHICS

#### Background

The Chicago Housing Authority (CHA) was established in 1937 to provide temporary housing for people who could not afford to acquire “decent, safe and sanitary” dwellings in the private market. CHA operates under a state charter as a municipal corporation and most of its funding is provided by the U.S. Department of Housing and Urban Development.

CHA is the third largest housing authority in the United States by number of families served. In addition to housing, CHA also provides resources and supportive services to its residents in conjunction with city agencies and non-profits in areas such as healthcare, education, recreation, child development, employment, and counseling. CHA serves more than 63,000 households with more than 131,000 individual household members by providing units in properties owned and/or operated by CHA, including Public Housing and Rental Assistance Demonstration (RAD) properties, and by providing housing subsidies through the Project Based Voucher and Housing Choice Voucher Programs. CHA families live in all 77 community areas in Chicago. Pursuant to HUD requirements, participants in these housing programs cannot have an income exceeding 80% of area median income, which is \$83,350 for a family of four in the Chicago metropolitan area.

#### Housing Options

##### Family Housing Owned and/or Operated by CHA

CHA serves 8,894 households with 22,055 individual residents in family properties owned and/or operated by CHA, including public housing units in the family, senior and mixed-income portfolios and RAD project-based voucher units. Units in family properties range in size from studios to six bedrooms. CHA has family units in 70 out of 77 of Chicago's community areas.

##### Senior-Designated Housing Owned and/or Operated by CHA

CHA serves 4,158 senior households with 4,628 individual residents in properties designated specifically for heads of household older than 55 or 62 years of age at time of admission. Senior-designated housing units range in size from studios to two bedrooms. CHA has senior-designated properties in 18 out of 77 community areas in Chicago.

##### Project Based Voucher (PBV)

CHA serves 9,357 households with 11,688 individual residents by providing project-based vouchers for units in privately-owned buildings. PBV properties vary in their tenant selection plans, and include units designated for target populations such as families, individuals, and seniors, as well as populations requiring supportive services, such as veterans, people with disabilities and people experiencing homelessness. PBV units' range in size from studios to five bedrooms. CHA subsidizes PBV units in 48 out of 77 community areas in Chicago.

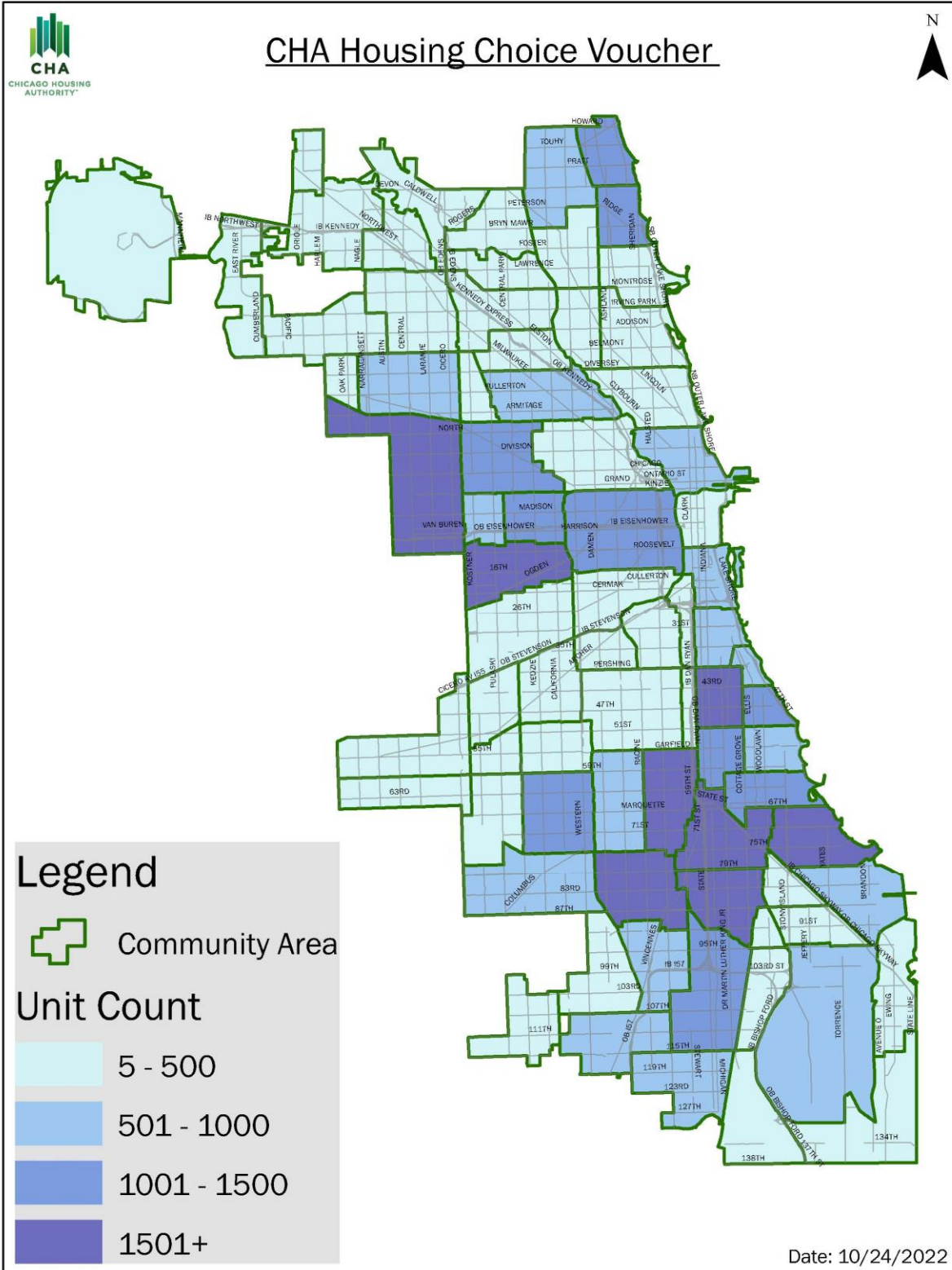


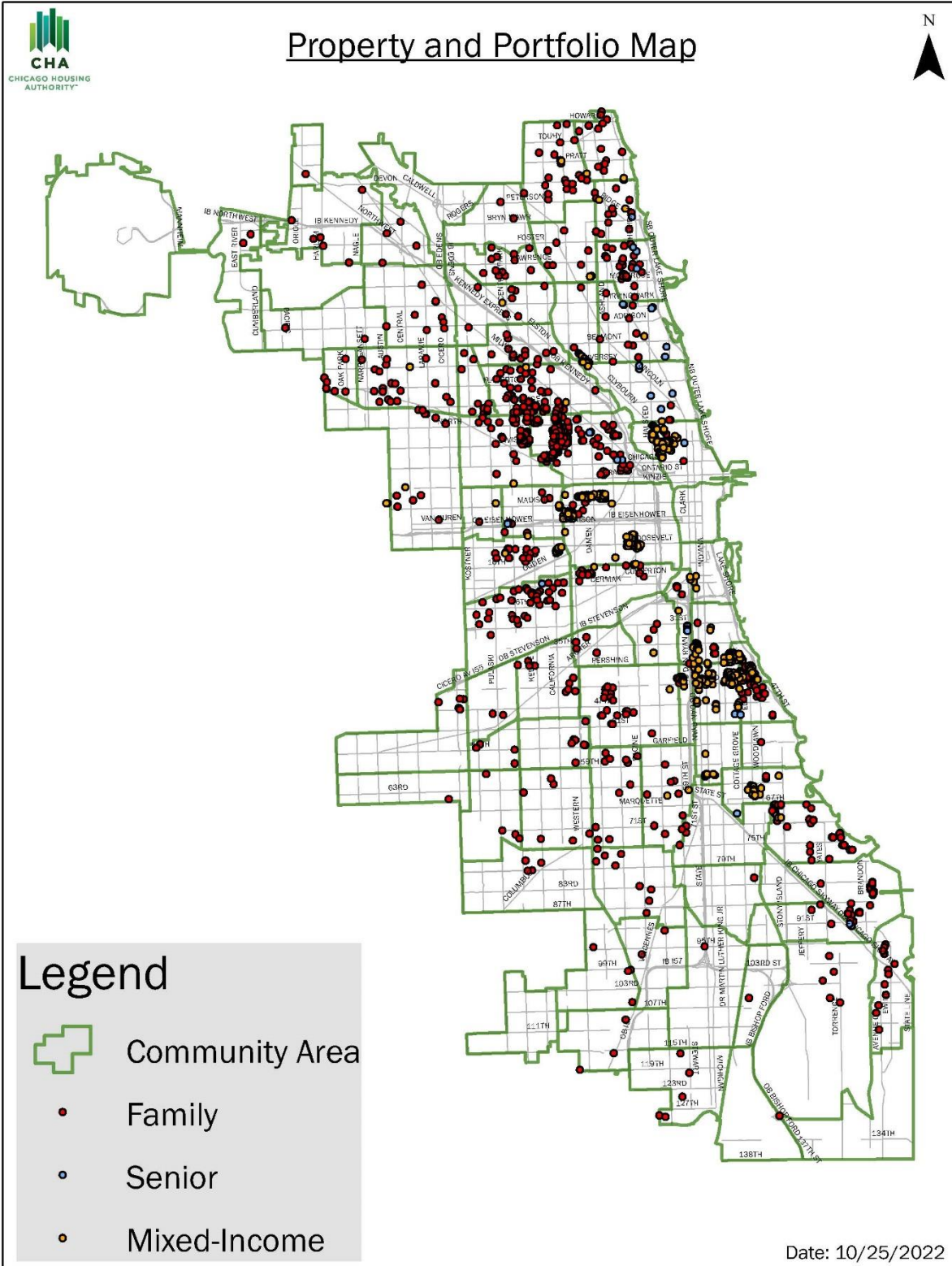
**Housing Choice Voucher (HCV)**

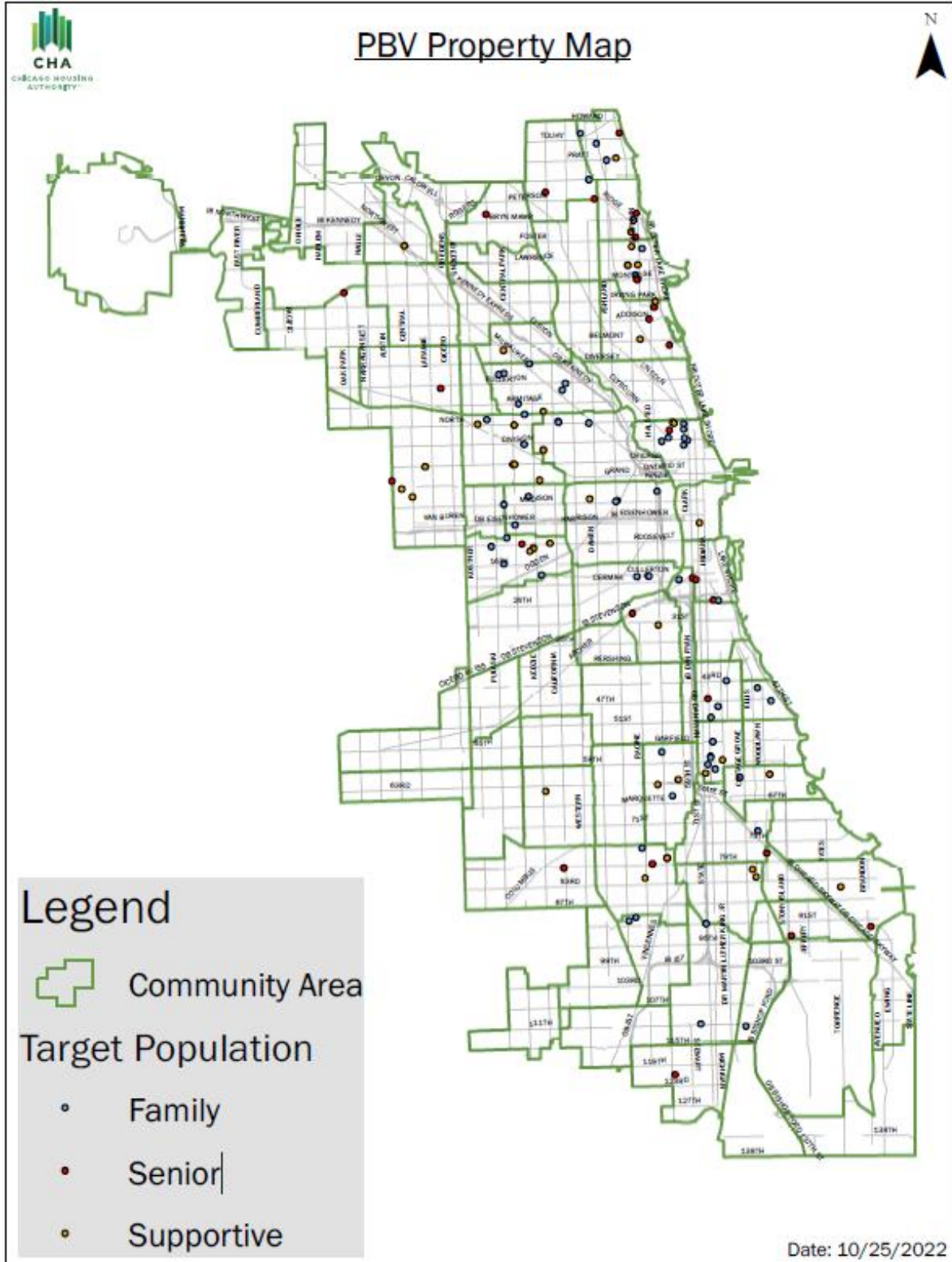
CHA serves 41,000 households with 92,000+ individual residents by providing Housing Choice Vouchers to subsidize units in the private market. Units leased by HCV residents' range in size from studios to six bedrooms. HCV residents live in all 77 of Chicago's community areas.

**Demographics of Families Served by CHA Programs**

	Public Housing/RAD PBV			Voucher			All CHA
	Family - Designated	Senior - Designated	Total	HCV	PBV	Total	
<b>Overall Demographics</b>							
Total Households	8,894	4,158	13,052	40,993	9,357	50,350	63,402
Total Residents	22,055	4,628	26,683	92,707	11,688	104,395	131,078
Average Household Size	2.5	1.1	2.0	2.3	1.2	2.1	2.1
<b>Head of Household Gender</b>							
# Female	7,824	2,073	9,897	33,826	4,653	38,479	48,376
# Male	1,070	2,085	3,155	7,167	4,704	11,871	11,871
<b>Head of Household Race/Ethnicity</b>							
# African American, non-Hispanic	7,909	2,020	9,929	36,265	6,774	43,039	52,968
# Hispanic, any race	839	583	1,422	3,432	874	4,306	5,728
# White, non-Hispanic	107	734	841	1,088	1,108	2,196	3,037
# Asian, non-Hispanic	15	780	795	94	534	628	1,423
# American Indian/Alaska Native, non-Hispanic	11	16	27	50	22	72	99
# Native Hawaiian/Other Pacific Islander, non-Hispanic	2	18	20	3	24	27	47
# Other/Unknown Race, non-Hispanic	11	7	18	61	21	82	100
<b>Household Income</b>							
# at 0-30% AMI, Extremely Low Income	7,085	3,886	10,971	35,125	8,497	43,622	54,593
# at 31-50% AMI, Very Low Income	1,206	229	1,435	4,768	722	5,490	6,925
# at 51-80% AMI, Low Income	456	40	496	1,030	126	1,156	1,652
# at 81%+ AMI, Moderate Income	147	3	150	70	12	82	232
% at 0-30% AMI, Extremely Low Income	79.7%	93.5%	84.1%	85.7%	90.8%	86.6%	86.1%
% at 31-50% AMI, Very Low Income	13.6%	5.5%	10.99%	11.63%	7.72%	10.90%	10.9%
% at 51-80% AMI, Low Income	5.1%	0.96%	3.80%	2.51%	1.35%	2.30%	2.6%
% at 81%+ AMI, Moderate Income	1.7%	0.07%	1.2%	0.2%	0.1%	0.2%	0.4%
<b>Resident Age</b>							
Youth (0-17)	9,068	1	9,069	32,204	1,361	33,565	42,634
Working Age (18-54)	9,499	42	9,541	42,546	2,709	45,255	54,796
Near Elderly (55-61)	1,386	87	1,473	6,448	980	7,428	8,901
Elderly (62+)	2,102	4,498	6,600	11,509	6,638	18,147	24,747









## GLOSSARY

### **Accrual Basis of Accounting**

A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

### **Allowable Expense Level (AEL)**

The per unit, per month, dollar amount of expenses which is used to compute the amount of operating subsidy.

### **Appropriation**

An amount of money within the budget, authorized by the Board of Commissioners, to be expended or obligated for specific purposes.

### **Assets (include land and buildings)**

Resources owned or held by the Chicago Housing Authority or its subsidiaries.

### **Authority**

Refers to the Chicago Housing Authority.

### **Available Fund Balance**

That portion of a fund balance available within the current period, or soon thereafter, to be used to pay for liabilities of the current period.

### **Balanced Budget**

A budget in which total revenues are equal to total expenditures.

### **Balance Sheet**

A statement which reflects the financial position of an organization, for a specific timeframe, disclosing assets, liabilities, and fund balances.

### **Budget**

A balanced financial plan, for a specific period of time, which includes appropriations and sources of revenue to finance various funds. The budget is not only a financial plan; it also serves as a policy and operations guide as well as a medium for communication.

### **Budget Amendment**

A procedure to revise a budget appropriation either by CHA Board approval, or, at the request of the Chief Executive Officer, Chief Operating Officer or Budget Director for interdivisional or interfund adjustments.

### **Budget Calendar**

The schedule of key dates or milestones that CHA follows in the preparation, adoption, and administration of the budget. The calendar begins with issuance of the Budget Preparation Manual and ends with adoption of a Resolution from the Authority's Board of Commissioners.

### **Budgetary Control**

The control/management exercised by a governmental unit or enterprise for keeping expenditures within the limit of authorized appropriations and available revenues, as per the approved budget.

### **Capital Budget**

A plan of proposed expenditures, which results in the acquisition of, or addition to fixed assets, and the means for financing the expenditures.

### **Capital Fund Program**

Funding provided by HUD to improve the physical condition of existing housing developments; and upgrade the management and operation of such developments. A part of CHA's MTW Single Chattels which have a useful life of more Fund.

### **Capital Equipment**

than five years and a unit cost of at least \$5,000.

### **Capital Expenditures**

Costs that are incurred in the acquisition or improvement of property assets.

### **Chart of Accounts**

A list of general ledger account numbers which subdivides basic accounting equations with

associated titles and definitions; it's used by an entity to post transactions to its general ledger.

**City/State Fund**

This fund is subsidized in a manner similar to the Section 8 Program whereby qualified tenants' rent payments are subsidized by HUD.

**Collateralized Mortgage Obligations**

A security backed by a pool of pass-through rates structured so that there are several classes (called tranches) of bondholders with varying maturities. The principal payments from the underlying pool of pass-through securities are used to retire the bonds on a priority basis as specified in the prospectus.

**Comprehensive Grant Program (CGP)**

Funding provided by HUD to improve the physical condition of existing housing developments; and upgrade the management and operation of such developments.

**Contributed Capital**

An equity account that shows the amount of permanent funds contributed to that fund.

**Cost Center**

A department which indicates overall management responsibility for a group of related operations.

**Current Assets**

Cash plus assets that are expected to be converted to cash, sold or consumed during the next twelve months or as a part of the normal operating cycle.

**Current Liabilities**

Obligations that will become due within the next year or within the normal operating cycle, if longer than a year.

**Davis-Bacon**

Statutory requirement that persons working on Federally supported construction projects be paid at least a minimum of prevailing wage rates.

**Depreciation**

A non-cash expense that reduces the value of an asset as a result of wear and tear, age, or obsolescence.

**Division**

A group of cost centers that roll up to a division level.

**Emergency Housing Vouchers (EHV)**

Created as part of the American Rescue Plan (ARP) Act of 2021, EHV's were provided to assist individuals and families who are experiencing (1) homelessness, (2) at risk of homelessness, (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or (4) recently homeless.

**Encumbrance**

The legal obligation of appropriated funds to purchase an item or service. To encumber funds, means to set aside or commit funds for a future expenditure.

**Enterprise Funds**

A fund established to account for operations that are financial and operated in a manner similar to private business. The intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services, to the general public, on a continuing basis, be financed or recovered primarily through user charges.

**Expense**

This term refers to charges incurred, whether paid or unpaid, resulting from the delivery of goods or services.

**Fiscal Year**

The time period designated by the Authority signifying the beginning and ending period for recording financial transactions. The Authority has specified January 1 to December 31.

**Fixed Assets**

Assets of a long-term character (such as land, buildings, machinery, furniture, refrigerators,

ranges, and other equipment) which are intended to be held or used, over the term of a depreciable life.

### **Fund**

A fiscal and accounting entity consisting of a balanced set of funds in which cash and other assets, related liabilities, residual business, and changes therein, are recorded and segregated.

#### **Full-time Equivalent (FTE)**

Number of positions calculated on the basis that one FTE equates to a 40-hour work week for twelve months. For example, two part-time positions working 20 hours for 12 months also equals one FTE.

### **Fund Equity**

The excess of the assets of a fund over its liabilities.

### **Generally Accepted Accounting Principles (GAAP)**

Uniform minimum standards and guidelines for financial accounting and reporting. These principles govern the form and content of the financial statements of an entity. The GAAP encompasses the conventions; rules and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. The GAAP provides a standard by which to measure financial presentations. The primary authoritative body on application of GAAP to state and local governments is the Government Accounting Standards Board (GASB).

### **General Expense**

For budgetary purposes, includes terminal leave payments, employee benefits, interest expense, other general expense, legal settlements, prior year adjustments, and indirect expense.

### **General Obligation Bonds**

Bonds, the payment for which the full faith and credit of the issuing government are pledged.

### **Goal**

A desirable plan attained by objectives designed to implement a strategy on a short and/or long-term basis.

### **Grant**

A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed by the grantee.

### **Housing Assistance Payment (HAP)**

The payment made by the Contract Administrator to the owner of an assisted unit as provided in the HAP contract. Where the unit is leased to an eligible household, the payment is the difference between the contract rent for a particular assisted unit and CHA's calculation of HUD- required rental contribution from eligible residents.

### **Hope VI**

A grant to assist Public Housing Authority's to improve the living environment of residents in severely distressed public housing projects through demolition, rehabilitation, reconfiguration, or replacement of obsolete public housing projects.

### **Housing Choice Voucher (HCV)**

A program administered by public housing agencies in which eligible families are allowed to choose any housing that meets the requirements of the program; the rent is subsidized by the housing authority based on fair market rent.

### **Housing and Urban Development (HUD)**

A federal agency whose mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD provides oversight and financial support to CHA and other public housing authorities across the United States and territories.

### **Income**

A term used in proprietary fund-type accounting



to represent: (1) revenues; or (2) the excess of revenues over expenses.

### **Internal Control**

A process affected by the management and other personnel of an entity, designed to provide reasonable assurance regarding the achievement of objectives in the following areas: (i) effectiveness and efficiency of operations and programs; (ii) reliability of information and financial reporting; and (iii) compliance with applicable laws and regulations.

### **Line-Item Budget**

A budget that lists each expenditure category (Administrative Salaries, Training, Sundry, etc.) separately, along with the dollar amount for each specified category.

### **Low-Income Residents**

Families (or single persons) whose incomes do not exceed 80 percent of the median income for the area.

### **Low-Rent Housing Program (Section 9)**

This program is conventional public housing whereby the Federal Government provides the funds to acquire or build housing for low-income people. The Authority owns and operates the units.

### **Moving-To-Work (MTW)**

Is a demonstration program for public housing authorities (PHA's) that provides them the opportunity to design and test innovative, locally-designed strategies that use Federal dollars more efficiently, help residents find employment and become more self-sufficient, and increase housing choices for low-income families.

### **Net Assets**

That resource balance left after subtracting the expected return on investments by calculating how much money needs to be invested today to result in a certain sum at a future time.

### **Operating Expenses**

Fund expenses that are directly related to the fund's primary service activities.

### **Other Funds**

Other Funds are related to funding sources other than those within the General Fund and Hope VI programs. These include federal, non-federal, local and state grants, and philanthropic awards or donations.

### **Operating Revenue**

Fund revenues directly related to the fund's primary service activities. These revenues consist of rent income and operating subsidies.

### **Operating Subsidy**

Payments authorized by the U.S. Housing Act of 1937 and appropriated by Congress to subsidize the operating costs of low-rent public housing.

### **Private Property Management (PPM)**

Firms that manage the day-to-day operations of the public housing units in CHA's Family, Senior, Scattered Sites and Mixed-Income housing portfolios. PPMs are responsible for the physical operations and maintenance of the buildings, facilities, equipment, unit interiors, common areas, and grounds. Leasing, annual tenant recertification, rent calculation, rent collection, lease enforcement, and community relations and compliance with all applicable CHA, HUD and local rules and regulations governing the operation of public housing.

### **Project Expense Level (PEL)**

The formula used to calculate the number of operating subsidies required by each Public Housing Authority to operate its public housing units.

### **Project-Based Rental Assistance (PBRA)**

Rental assistance provided by HUD to private owners according to the terms of a HAP contract for the provision of housing to eligible tenants. The PBRA program is administered by HUD's Office of Housing

**Project-Based Vouchers (PBV)**

A part of the Housing Choice Voucher program. The PHA uses its tenant-based voucher funding to allocate project-based units to a project. Projects are typically selected for PBVs through a competitive process managed by the PHA.

**Project Expense Level (PEL)**

The formula used to calculate the number of operating subsidies required by each Public Housing Authority to operate its public housing units.

**Proprietary Fund Types**

The classification used to account for the Authority's on-going activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of net income, financial position, and changes in financial position.

**Public Housing Authority (PHA)**

An agency that administers programs under the Housing Act of 1937, which could include public housing and vouchers. The term PHA refers to the owner of a public housing project or a converted public housing project, and not to the HCV administrator.

**Real Estate Assessment Center (REAC)**

REAC is responsible for providing accurate, credible and reliable assessments of HUD's real estate portfolio.

**Rental Assistance Demonstration (RAD)**

RAD is an initiative of the Department of Housing and Urban Development (HUD) that seeks to preserve public, and other HUD-assisted housing, by providing owners and Public Housing Agencies (PHAs) with access to additional funding to make needed physical improvements to properties and address the nationwide backlog of deferred maintenance. The program provides for long-term project-based vouchers.

**Relocation Rights Contract**

The Relocation Rights Contract sets forth, in detail, the manner in which relocation will occur, specific notice procedures, resident outreach initiatives such as relocation planning meetings, the Chicago Housing Authority's obligations, and resident rights and duties.

**Revenue**

Funds that the government receives as income. This includes such items as rental income, HUD operating subsidy, grant revenues, interest income and other receipts.

**Reserve**

An account used to indicate that a portion of a fund's assets is restricted or unrestricted or obligated for a specific purpose consistent with CHA's strategic plans.

**Section 8 Fund (Non-MTW)**

Includes two types: Moderate Rehabilitation and 11/B Program. These programs provide assistance to low-income persons/families.

**Section 8 (HCV) Program**

A housing program administered by the Authority. The qualified low-income person and/or family rents a unit from a private landlord. The Authority subsidizes the rent based on fair market rent (FMR) established by HUD. The client is obligated to pay rent to the landlord based on the client's income.

**Sundry**

Includes stationary, office supplies, printing and duplication services, computer expenses, publications, membership dues and fees, executive search fees, court costs and reporting fees, advertising costs, postage and courier fees, temporary service expenses, rental office equipment expense, office rental costs, maintenance, meeting costs, telephone, and parking expenses.

**Tax-Exempt Securities**

An obligation whose interest is tax exempt.

**Tenant Rent**

The amount payable monthly by the household as rent to unit owner.

**Tranche**

One of several related securities offered at the same time. Tranches from the same offering usually have different risk, reward/maturity characteristics.

**Very Low-Income Persons**

Families (or single persons) whose incomes do not exceed 50 percent of the median income for the area.

**Veterans Affairs Supportive Housing (VASH)**

A special voucher program for veterans.

**Working Capital**

The excess of current assets over current liabilities; used to indicate the relative liquidity of an enterprise or internal service fund.

## ACRONYMS

<b>ACC</b>	Annual Contributions Contract		
<b>ACOP</b>	Admission and Continued Occupancy Policy	<b>FFB</b>	Federal Financing Bank
<b>AID</b>	Agency for International Developments	<b>FHLB</b>	Federal Home Loan Bank
<b>AMP</b>	Asset Management Property	<b>FIC</b>	Family Investment Center
<b>ARRA</b>	American Recovery & Reinvestment Act	<b>FMR</b>	Fair Market Rent
<b>BOC</b>	Board of Commissioners	<b>FNMA</b>	Federal National Mortgage Association
<b>BPI</b>	Business and Professional People for the Public Interests	<b>FHLMC</b>	Federal Home Loan Mortgage Corporation
<b>CAC</b>	Central Advisory Committee	<b>FY</b>	Fiscal Year
<b>CAFR</b>	Comprehensive Annual Financial Report	<b>GAAP</b>	Generally Accepted Accounting Principles
<b>CAPS</b>	Chicago Alternative Policing Strategy	<b>HAP</b>	Housing Assistance Payments
<b>CDS</b>	Community Development and Support	<b>HCV</b>	Housing Choice Voucher
<b>CEO</b>	Chief Executive Officer		
<b>CFO</b>	Chief Financial Officer	<b>HUD</b>	Department of Housing and Urban Development
<b>CGP</b>	Comprehensive Grant Programs		
<b>CHA</b>	Chicago Housing Authority	<b>IT</b>	Information Technology
<b>CIP</b>	Capital Improvement Program	<b>LAC</b>	Local Advisory Council
<b>CMO</b>	Collateralized Mortgage Obligations		
		<b>MBE</b>	Minority Business Enterprise
<b>COLA</b>	Cost of Living Adjustment	<b>MROP</b>	Major Rehabilitation of Obsolete Public Housing
		<b>MTW</b>	Moving to Work Demonstration Program
<b>CSF</b>	Critical Success Factor	<b>OBM</b>	Office of Budget & Management
<b>DBE</b>	Disadvantaged Business Enterprise		
<b>DCCA</b>	Department of Commerce and Community Affairs	<b>OEMC</b>	Office of Emergency Management
<b>DCEO</b>	Department of Commerce and Economic Opportunity	<b>OIG</b>	Office of Inspector General
<b>EIV</b>	Enterprise Income Verification	<b>PBCA</b>	Performance-Based Contract Administration
<b>ERP</b>	Enterprise Resource Planning		
<b>ESCO</b>	Energy Service Companies	<b>PBV</b>	Project-Based Vouchers
<b>EPIC</b>	Energy Performance and Information Center	<b>VASH</b>	Veterans Affairs Supportive Housing
<b>EHV</b>	Emergency Housing Vouchers		



## GUIDE TO OTHER USEFUL DOCUMENTS

### The Chicago Housing Authority’s (CHA) MTW Annual Plan

This document outlines the CHA’s major programs, policy direction and organizational initiatives. This plan is required to be submitted to the Department of Housing & Urban Development (HUD) under CHA’s Amended and Restated Moving to Work Agreement.

### The Comprehensive Annual Financial Report (CAFR)

This document contains the CHA’s Independent Auditor’s Report and general-purpose financial statements. Also provided are the combining and individual program schedules for the Authority’s Enterprise and Pension Trust Fund Activities.

### Single Audit


This Independent Auditor’s Report provides assurance to HUD that the management and use of funds provided to CHA meet federal requirements.

### MTW Annual Report


This document provides results for items presented in the MTW Annual Plan.



**For a copy of any of the documents listed above or for more information,  
please contact us via:**

Mailing Address:	Chicago Housing Authority 60 E. Van Buren Street Chicago, IL 60605	
Phone Number:	(312) 742-8500	
Website:	<a href="https://www.thecha.org" style="color: blue; text-decoration: underline;">https://www.thecha.org</a>	



		<p><b>INVESTMENT POLICY</b></p>
<p><b>Responsible CHA Department(s): Finance</b></p>		<p><b>Policy No. 202.1</b></p>
<p><b>Effective Date:</b> July 19, 2022</p>	<p>Approved on 7/19/2022 by CHA Board of Commissioners Resolution No. 2022CHA27</p>	

**I. Policy.**

Through the primary role of providing and sustaining affordable, decent, safe and stable housing, Chicago Housing Authority (CHA) is committed to empowering low-income families and residents served throughout Chicago to achieve long term economic success and empower Chicago’s communities to thrive.

Policy approved by the Board of Commissioners is intended to provide guidance for investing funds of CHA, its affiliates, and instrumentalities to maximize financial capacity and community impact as a return on investment. CHA funds are to be invested in a manner that will meet the objectives of ensuring the safety of principal, provide sufficient liquidity to meet anticipated expenditures, and maximize the return on investment.

Excess funds of the CHA shall be invested in accordance with this policy, while fulfilling the following objectives:

1. Safety of principal is the primary objective. CHA investments shall be undertaken in a manner that seeks to ensure the preservation of capital. To attain this objective, diversification is required to ensure that market, interest rate, and credit risks are managed.
2. The investment portfolio must be sufficiently liquid to meet anticipated operating expenditures when such expenditures become due, based on daily, weekly, quarterly, and annual cash flow projections.
3. The investment portfolio should achieve the highest yield possible, consistent with the above stated objectives of safety of principal and liquidity and allowing for risk factors such as market fluctuation in price and interest rate trends.

**II. General Provisions.**

A. Definitions.

1. “BOC” means the Board of Commissioners of the CHA.
2. “CEO” means the Chief Executive Officer of the CHA.



3. "CFO" means the Chief Financial Officer of the CHA.
  4. "HUD" means the United States Department of Housing and Urban Development.
- B. Investment Authority.

The BOC will review and approve the Investment Policy on an annual basis. The BOC Finance and Audit committee has authority and responsibility to monitor adherence to the Investment Policy and recommend policy changes to the BOC for approval.

The CEO and the CFO have the authority to appoint one or more appropriate staff members to manage the CHA's portfolio of investments in a manner consistent with this policy.

The CFO is the primary manager of the investment portfolio and, in consultation with the CEO, may form an Investment Policy Committee to oversee compliance with this Investment Policy.

The following officers or managers are authorized to make day-to-day investment decisions within this policy and as guided by the Investment Policy Committee:

- Director of Treasury and Accounting Compliance
- Director of Treasury Banking and Capital Services

1. Trade Dollar Limits.

The maximum single security purchase is limited to \$10,000,000.

2. Portfolio Maturity.

Management shall monitor and adjust the duration of the portfolio in consideration of the following factors:

- a. The current level of, and anticipated changes in, interest rates and shape of the **yield curve**. The Investment Policy Committee shall decide appropriate duration and benchmark performance comparisons for each portfolio no later than Jan 15<sup>th</sup>. The determinations will be based upon liquidity and budgetary requirements by fund while considering economic conditions.
- b. **Size**, indicated by Individual bonds in excess of \$10 million by CUSIP<sup>1</sup> number.

3. Portfolio Benchmarking.

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<sup>1</sup> A CUSIP is a nine-digit numeric or nine-character alphanumeric that identifies a North American financial security for the purposes of facilitating clearing and settlement of trades.

The yield performance benchmark of the portfolio will be the 12-month rolling average of the US Treasury Constant Maturity (CMT) 1-year plus 10 basis points. Duration and benchmark determinations will be presented to the Audit and Finance Committee at the first meeting of the Board of Commissioners of each fiscal year. Throughout the year, any actual duration changes greater than 25% of target duration will be reported to the Audit and Finance Committee as well.

- a. Core Portfolio – This represents those funds received in the CHA’s normal and recurring course of business. Typically, grants and other funds received from HUD used in the operation and management of the CHA’s housing portfolio.

Examples: Performance Funding System (PFS) (Operating), Housing Choice Voucher (HCV), and any other HUD funds; Agency program income, or operating funds which are derived from other sources.

Maximum Duration Limit - 6 to 18 months OAS (Option Adjusted Spread) Basis

Performance Benchmark - 6-to-12-month Treasury Bill (or similar comparative index)

- b. Restricted Portfolio - Restricted Portfolio funds are typically restricted or reserve funds held and invested for identified use for periods exceeding one year. These funds may also be considered fund/program equity resulting from revenues, which exceed expenses on any given fund/program.

Examples: Insurance Reserve, Project Bond Funds, HOPE VI, non-federal funds, and various program operating reserves and/or collateralized lending programs.

Maximum Duration Limit - 1-to-5-year OAS (Option Adjusted Spread) Basis

Performance Benchmark 1-to-2-year Treasury Note (or similar comparative index)

- c. RAD (Rental Assistance Demonstration - CHA LLC) - Funds required for the operation of properties and administration of RAD-PBV funds may consist of operating, administrative, capital escrow, security deposit and replacement reserve funds.

Duration for operating, administrative & security deposits – 6 to 18 OAS (Option Adjusted Spread) Basis

Performance Benchmark - 6-to-12-month Treasury Bill (or similar comparative index)

Duration for Capital Escrow - 1-to-5-year OAS (Option Adjusted Spread) Basis

Performance Benchmark 1-to-2-year Treasury Note (or similar comparative index).

Duration for Replacement Reserve - 1-to-5-year OAS (Option Adjusted Spread) Basis.

Performance Benchmark 1-to-2-year Treasury Note (or similar comparative index).

- d. Special Purpose Portfolios – Special purpose portfolios may consist of non-federal grants, funds and/or other funding revenue which are received from alternative sources, such as bond proceeds, project and payment funds, debt service reserve, etc. Some sources may have restricted uses and timing. Additionally, any portfolio defined as special purpose upon reaching \$5 million total balance can be established and reported to the Board of Commissioners Finance and Audit Committee.

Maximum Duration Limit - 1-to-5-year OAS (Option Adjusted Spread) Basis.

Performance Benchmark 1-to-2-year Treasury Note (or similar comparative index).

#### 4. Other Requirements:

All demand deposits in excess of the FDIC insured deposit limit (currently \$250,000) must be 100% collateralized with U.S. government securities or FHLB Public Unit Deposit Insurance for non-Low Rent Public Housing. All duration and performance benchmarks subject to market conditions.

### III. Reporting and Monitoring Governance.

Management will prepare at least quarterly reports for the Audit and Finance Committee's review. The reports shall include the following information:

- A. Total portfolio size in dollars
- B. Asset class breakdown in percentage terms
- C. Portfolio yield
- D. Unrealized gain or loss
- E. Asset class balances
- F. Asset class balances compared to policy concentration limits.

The CFO is responsible for developing an Annual Cash Flow Forecast derived from the BOC-approved CHA's Comprehensive Budget for the fiscal year beginning January 1st through December 31st. The Annual Cash Flow Forecast for the fiscal year should be completed no later than March 1st of that year. It shall be approved by the Investment Policy Committee during the first quarter meeting and presented to the Finance and Audit Committee of the BOC.

On an annual basis, or more frequently, if necessary, the CFO will update the CHA's overall Investment Plan and present it to the Audit and Finance Committee.

**IV. Account Classification for Securities Purchased.**

CHA is required to prepare and report its financial statements in accordance with GAAP and GASB standards.

**V. Eligible Investments and Limits.****A. US Government Securities:**

- United States Treasury Bills
- United States Treasury Notes and Bonds
- United States Treasury Strips
- Financing Corp (FICO) Notes, Strips
- Tennessee Valley Authority (TVA) Notes, Bonds, and Strips
- Private Export Funding Corp (PEFCO)
- Overseas Private Investment Corp (OPIC) - Sovereign Agency US
- Money Market Deposit & Super Now Accounts that are 100 % backed by US Gov't Securities
- Interest-Bearing Savings Accounts and Time Deposits or Certificates of Deposits issued by financial institutions which are insured and/or collateralized 100% by Government Securities
- Repurchase Agreements. The securities, unless registered or inscribed in the name of the CHA, shall be purchased through banks or trust companies authorized to do business in the State of Illinois. The term "repurchase agreements" as used herein shall include flexible repurchase agreements that permit the CHA to withdraw funds as needed and master repurchase agreements that permit the deposit, withdrawal and redeposit of funds over time and do NOT exceed 30-day maturities.
- Mortgage-backed Securities and CMOs issued by GNMA, FHLMC & FNMA
- SBA (Asset Based Product is Guaranteed by Lender)
- HUD Project Notes
- Housing (HUD) Government Sponsored Enterprises (GSE)
- Commercial Paper – short term obligations of corporations
- Public Treasurer's Investment Pool – section 17 State Treasurer's Act Non-amortizing US

**B. Federal Agency Securities:**

- Farm Credit Consolidated System (FFCB) Discount Notes, Notes and Bonds
- Federal Home Loan Bank (FHLB) Discount Notes, Notes and Bonds
- Federal National Mortgage Association (FNMA) Discount Notes, Notes and Bonds
- Federal Home Loan Mortgage Corporation (FHLMC) Discount Notes, Notes and Bonds
- Farmer Mac (FRM) Discount Notes

## C. State of Illinois Securities:

- Interest-Bearing Savings Accounts and Time Deposits or Certificates of Deposits issued by financial institutions which are insured and/or collateralized 100% by FHLB Public Unit Deposit Insurance for all other programs
- State/Municipal Obligations
- Illinois Housing Development Authority Mortgage Participation Certificate

Note – see appendix for full list of eligible investments

## D. Concentration:

Government Securities are limited to a maximum maturity of 10 years.

Amortizing US Government Securities are limited to a maximum average life of 25 years. The aggregate total of all guaranteed US Government Securities and Agencies by issuer may not exceed 25% of the investment portfolio assets. All other security types by issuer may not exceed 5% of the total portfolio's value may be invested in securities issued by a single entity, except for securities issued or guaranteed by the U.S. Government or U.S. Government agencies and U.S. Government money market funds with same day fund availability.

**VI. Prohibited Investments.**

The following transactions are not deemed in compliance with current applicable policy/statute and are prohibited:

- When Issued Trading – trading of security prior to issuance
- Reverse Repurchase Agreements – the loaning of CHA securities for cash proceeds
- Securities Lending – the loaning of CHA securities for other cash and/or securities
- Short Selling – the sale of a security the CHA does not own.

**VII. Safekeeping.**

The CHA has approved the following list of safekeeping agents for the its investments:

- A. Federal Reserve Bank
- B. BMO Harris Bank
- C. Bank of New York

- D. Fifth Third Bank
- E. Bank of America
- F. Chase Bank

All banks will be examined by net capital, financial strength, and reputation in the industry.

**VIII. Authorized Broker/Dealers.**

- A. The CHA will transact investment securities with broker/dealers who are registered with the SEC.
- B. For each securities dealer with which the CHA does business, the following information will be kept on file:
  - 1. Company Name
  - 2. Company Address
  - 3. Contact person name, number, and email address
  - 4. Annual audited financial statements
  - 5. Part 2 for National Association of Securities Dealers (NASD)
  - 6. Any debt ratings from security agencies or any related disclosure statements
- C. All documentation concerning approved broker/dealer/financial institutions must be maintained in accordance with CHA document retention policies.
- D. The following parties are approved to conduct investment transactions with the CHA:
  - 1. Bernardi Securities, Inc.
  - 2. Cabrera Capital Markets, LLC
  - 3. FHN Financial Securities Corp.
  - 4. JP Morgan Securities, Inc.
  - 5. Loop Capital Markets, LLC
  - 6. Mesirow Financial Services, Inc.
  - 7. Multi-Bank Securities, Inc.
  - 8. Penserra Securities, LLC
  - 9. Raymond James and Associates, Inc.
  - 10. Williams Capital Group, LLC
- E. All broker dealers and anyone conducting investment transactions will be examined by net capital, financial strength, and reputation in the industry.

**IX. Internal Controls and Documentation.**

- A. The CHA shall conduct an annual review of the earnings performance, capital level, credit rating and operational results of any institution or entity that has a concentration of 5% or more of the CHA's total net worth.

- B. Internal Audit shall conduct a bi-annual audit and review including:
1. Sample of transactions during prior 12-months
  2. Authorized staff members who approved each transaction

**X. Investments Falling Outside Policy.**

If an investment falls outside board policy or fails a requirement of 30 days after purchase, the CFO must notify the Audit and Finance Committee within 30 days with a recommendation to change investments so that the portfolio is in compliance or report on the timeframe for which levels will be back in line.

**References:** Illinois Public Funds Investment Act (30 ILCS 235/); Housing and Urban Development Cash Management Investment Policies / Procedures – NOTICE PIH 2002-13

**Policy History:**

Approved on 11/12/2014 by 2014CHA114; 12/12/2010 by 2010CHA171; 10/10/2008 by 2008CHA159; 9/19/2017 by 2017CHA117.

Revised on 7/19/2022 by 2022CHA27.

**Angela Hurlock**

Chairperson

**Matthew Brewer**

**Luis Gutierrez**

**Dr. Mildred Harris**

**Meghan Harte**

**James Matanky**

**Debra Parker**

**Francine Washington**

Board of Commissioners

**Tracey Scott**

CEO, Chicago Housing Authority



**CHA**

CHICAGO HOUSING  
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