HUD'S TWO-YEAR TOOL (TYT)

THA: 2021 Annual Conference & Trade Show

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BDO PHA FINANCE

With You Today

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Key Concepts

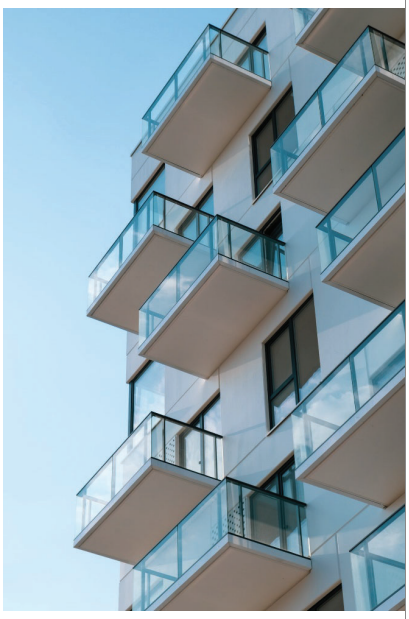
- PHAs are awarded HAP funding each calendar year, regardless of the PHA's fiscal year
  - Calculated from total HAP costs of the prior calendar year as reported in VMS
- HAP funding is disbursed from HUD to the PHA based on cash management
  - Any HAP funding not disbursed to the PHA by the end of the calendar year will remain at HUD and these funds are called HUD Held Reserves (HHR)
  - Any HAP funding provided to the PHA, but not sent to a landlord at calendar year end or fiscal year end is called restricted net position (RNP)

Key Concepts

- If the HHR & RNP at calendar year end 4% of eligibility and other protected classes of reserves, HUD could offset funding the following year
- The target amount of combined HHR & RNP at calendar year end is 4% of eligibility

Key Concepts

- PHAs are awarded HAP funding (ABA) each calendar year, plus any HHR and RNP from the prior calendar year can be used to fund current year HAP costs
  - The PHA could also estimate any FSS escrow forfeitures and ½ of fraud recovery
- Some PHAs will not be able to lease all of the unit months in their baseline due to limitations on HUD funding
- Some PHAs will be able to lease more unit months than their baseline due to having plenty of funding, but they are not permitted because PHAs cannot lease more unit months than what is in the baseline on any given calendar year



Key Concepts

- The baseline number of vouchers refers to the maximum number of voucher units a PHA can potentially lease
- The baseline is expressed as a total number of vouchers and as a total number of unit months available
- For example, if the baseline number of units in a PHA's program is 100 (and these units are available for 12 months) then the PHA has 1,200 Unit Months Available (UMA) to lease

100 UNITS X 12 MONTHS = 1,200 UMA

HUD's Two-Year Tool

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Objective of the Two-Year Tool (TYT)

- The objective of the Two-Year Tool (TYT) is to analyze a PHA's utilization situation, which includes running basic leasing and spending scenarios to better inform decisions going forward in an effort to optimize the program
- There are many variables that affect a PHA's HCV program, some outside of a PHA's control and some that can be impacted by policy and operations;
  - Variables including Congressional funding, cost per unit trends, the rate at which participants leave the program (i.e., the attrition rate), and the rate at which vouchers are successfully leased (including both overall success and time-to-success)

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HUD's Goal of the TYT

- The goal of the TYT is to facilitate a conversation with the PHA, in order to help in developing an informed strategy, for both the current and the following year, regarding voucher issuances, costs, and other decisions, in order to run an optimal and stable Housing Choice Voucher (HCV) program, to the extent allowable
- The TYT allows for a straight-forward analysis using all of these variables beginning with the Monthly Utilization Report and ending with a conversation with the PHA

The Bottom Line

- The Two-Year Tool is used to monitor leasing to:
- Maximize funding for the following year (re-benchmarking)
- Maximize leasing for the current year
- Prevent PHAs going into shortfall
  - Once funding letters are provided to PHAs and the tool reports negative reserve levels at calendar year-end

Utilization Report

- The Monthly Utilization Report serves as the "launching pad" for the Two-Year Tool www.hud.gov/program_offices/public_indian_housing/programs/hcv/Tools
- (See next slide)
- Type the 5-character PHA Code in the noted box (or, in the case of a combination PHA, enter both PHA Codes in the two noted boxes), then click the "Open and Populate Two-Year Tool Button"
- This report contains a great deal of other information that the user can access by noting the additional tabs at the bottom of the workbook

Utilization Report

Home / Program Offices / Public and Indian Housing / PIH / Office of Housing Choice Vouchers / Tools

TOOLS

- HCV Training Videos

  This file contains links to "bite-size" training videos for the HCV Tools found on this page.

- HCV Monthly Summary **(Updated - February 2021 Data)**

  This zip file contains monthly utilization updates related to the Two-Year and other tools, as well as a national monthly overview of the HCV program.

  NOTE: Not all links may work in the PDFs, due to its dual purpose of updating both internal and external audiences.

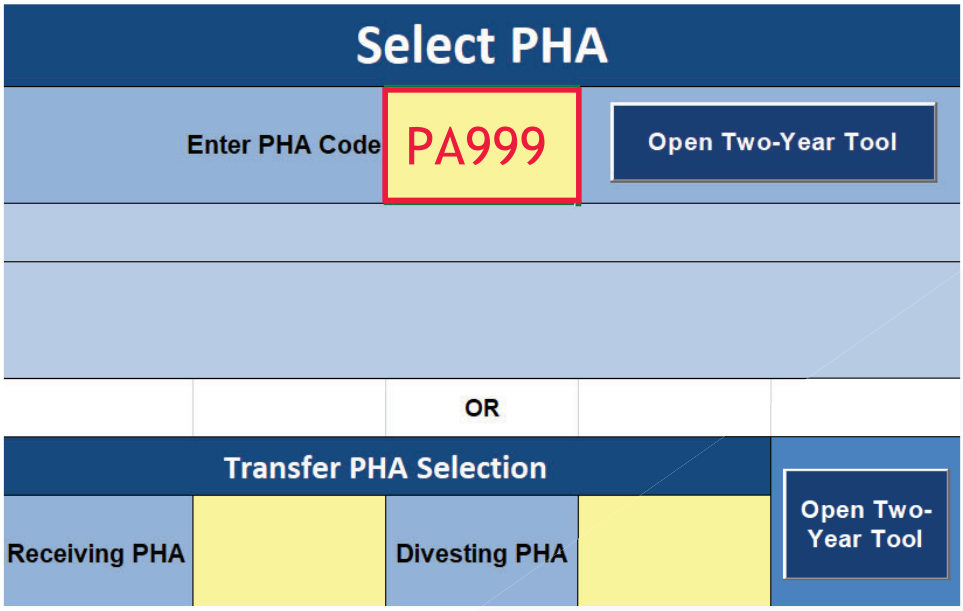
- HCV Two-Year Tool Guide

  This file contains step-by-step instructions for using the Two-Year Tool.

- HCV Two-Year Projection Tool **(Updated 5/7/2021)**

  The objective of the Two-Year Tool (TYT) is to analyze a PHA's utilization situation which includes running basic leasing and spending scenarios to better inform decisions going forward in an effort to optimize the program over a multi-year period. There are many variables that affect a PHA's HCV program, some outside of a PHA's control and some that can be impacted by policies and operations; variables including Congressional funding, cost per unit trends, the rate at which participants leave the program (i.e. attrition rate), and the rate at which vouchers are successfully leased (including the time-to success).

Utilization Report



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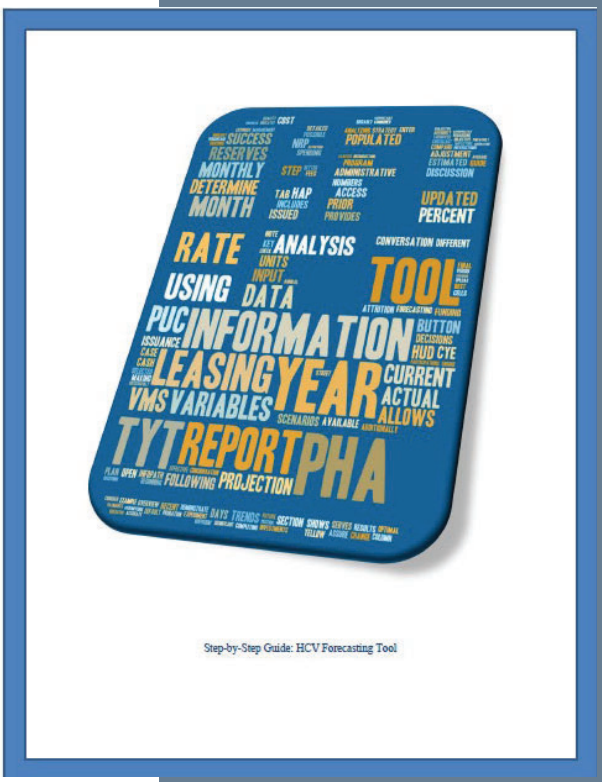
Two-Year Tool

- The TYT has a users guide that explains a series of settings that you may have to edit for to fully utilize the Excel tool.
- If you are unsure about changing settings, then consult with your IT department or consultant.



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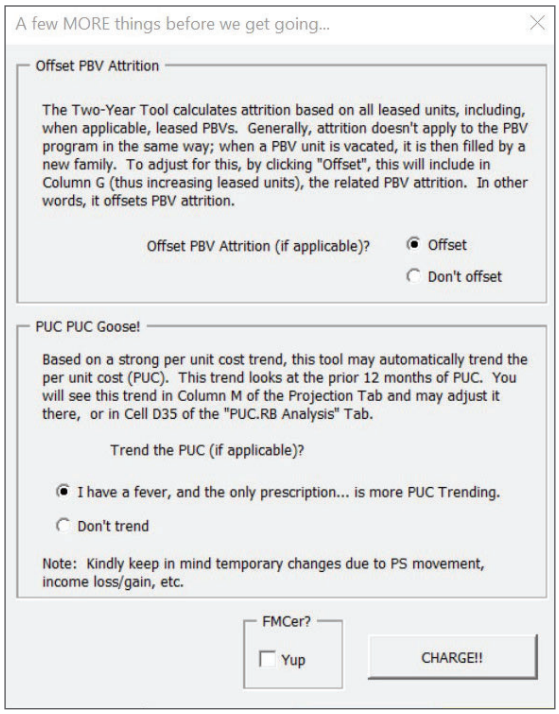
Opening Consideration

Option to adjust for PBV attrition
Option to trend PUC for the past 12 months



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Funding Available

1. Name of PHA and PHA #
2. Number of ACC Units
3. Three-year projection
4. Initial ABA Funding
5. Offset of Excess HAP Reserves
6. Set Aside Funding
7. New Unit Funding
8. Total ABA Funding Provided
9. PHA Income
10. Total Cash Supported for PY Reserves
11. Total Funding Available

1	PHA Name	Terrapin Housing Authority	PHA Number	PA999

ACC/Funding Information				
ACC	Current Year (2021)	Year 2 (2022)	Year 3 (2023)	
Beginning ACC Vouchers	667	667	667	2
Funding Components	Current Year (2021)	Year 2 (2022)	Year 3 (2023)	3
Initial BA Funding (net offset)	$2,947,426	$2,552,049	$2,323,148	4
Offset of HAP Reserves	$159,101	$126,075	$0	5
Set Aside Funding	$0			6
New ACC Units Funding	$0	$0	$0	7
Total ABA Funding Provided	$2,947,426	$2,552,049	$2,323,148	8
PHA Income	$1,533	$0		9
Total Cash-Supported Prior Year-End Reserves	$574,114	$844,949	$1,073,851	10
Total Funding				
Total Funding Available	$3,523,073	$3,396,998	$3,396,998	11

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2. Number of Units in Baseline

The number of units in the PHA's baseline represents current vouchers in the PHA's ACC along with new Vouchers that were added:

- RAD
- TPV
- PBV

ACC	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
Beginning ACC Vouchers	667	667	667

3. Three Year Projection

The three-year projections estimates funding for Year 2, 2022 and Year 3, 2023, but provides actual for the current year.

Funding Components	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
Initial BA Funding (net offset)	$2,947,426	$2,552,049	$2,323,148

4. Initial ABA Funding

ABA funding is calculated by taking prior calendar year HAP expense, increasing by an inflation factor, then decreasing by a proration factor.

- HAP, UAP, FSS Escrow payments
- Calculation could include first time renewal, new Vouchers
- Transfer of Vouchers (+/-)

Funding Components	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
Initial BA Funding (net offset)	$2,947,426	$2,552,049	$2,323,148

Appropriations Calculation For Calendar Year

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 30, 2021

Dear Executive Director:

Subject: Housing Choice Voucher Program Calendar Year (CY) 2021 Renewal Funding Allocation

The purpose of this letter is to advise public housing agencies (PHAs) of the CY 2021 Housing Assistance Payments (HAP) renewal funding allocations for the Housing Choice Voucher Program (HCVP). The funding allocations described herein are based on the requirements of the Consolidated Appropriations Act, 2021, (P.L. 116-260) referred to hereafter as "the 2021 Act," enacted on December 27, 2020. HUD published PIH Notice 2021-10, describing the 2021 Act funding implementation for the HCVP in detail. This Notice is posted at the following link: http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/notices/pih.

Renewal Letter Issued by HUD – Rebenchmarking

Enclosure A

Calculation of Calendar Year 2021 Renewal Fundi
Housing Choice Voucher Program

1	HA Number:	TN999
2	HA Name:	THE TERRAPIN HOUSING AUTHORITY
	CY 2021 Renewal Funding	
3	CY 2021 HCV Renewal Funding after Offset and Amounts Owed HUD	$2,947,426
	CY 2021 Non-Renewal Funding	
4	CY 2021 Non-Renewal Funding (TPVs, VASH, etc.) to Date	$0
5	CY 2021 Estimated RAD 1 Funding For First Full Year After Conversion	$0
6	Total CY 2021 HCV Renewal and Non-Renewal Funding	
	ELIGIBILITY	
7	Total Unit Months Leased per VMS - CY 2020	6,978
8	Total Unit Months Available - CY 2020	8,004
9	Capping Percentage	100%
10	Total CY 2020 HAP Expenses per VMS	$2,842,826
11	Total CY 2020 Capped HAP Expenses (Line 10 x Line 9)	$2,842,826
12	Renewal Funding Inflation Factor	1.09276
13	Inflated Eligibility Sub-Total (Line 11 x Line 12)	$3,106,527
14	First Time Renewals - Appendix II	$0
15	Transfers In or Out	$0
16	Total DHAP Eligibility	$0
17	Total Renewal Eligibility (Line 13 + Line 14 + Line 15 + Line 16)	$3,106,527
18	Proration Factor	100%
19	Prorated Eligibility (Line 17 x Line 18)	$3,106,527

$2,947,426

$2,947,426

$2,947,426

3,106,527

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What Does "Offset" Mean?

- When a PHA accumulates too much HHR and RNP, then HUD will reduce the following year's funding by the amount of excess reserves.
- Any amounts over HUD prescribed methodology will be reduce the PHA's ABA.

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Offset of Excess HAP Reserves

CY 2020 Offset Reallocation		Appendix I
HA Number:	TN001	
HA Name:	Terrapin Housing Authority	
CY 2020 End of Year Reserves		$597,606
PROTECTED CATEGORIES		
A. Difference between the PHA's Eligibility and Prorated Eligibility		$0
B. CY 2021 Amounts needed to fully lease VASH units		$246,058
C. Difference between higher of December 2020 UMLs x 12 or CY 2020 UMLs up to baseline on units under CACC		$0
D. CY 2020 New incremental BA- 1/2 of Eligibility		$0
E. CY 2020 Set Aside Protection- 1/2 of Eligibility		$0
F. CARES Act HAP Awards protection- Total Eligibility		$0
G. Portion of CY 2021 Renewal Eligibility (Based on units under CACC):		$124,261
4% - 500 and above units		
6% - 250 to 499 units		
12% - Less than 250 units		
H. PHAs with CY 2020 Inflation factors that were higher than the CY 2020 national weighted average inflator. Difference between CY 2020 Inflated Funding and CY 2021 Renewal funding.		$0
I. Protect 1/2 of RAD 1 HAP for Projects in their 1st Full Year of CY 2020		$0
J. Total Funds Available for Offset		$227,287
K. Offset Amount *(Total Funds Available for Offset x 70%)*		$159,101
L. **Prorated Eligibility After Offset**		$2,947,426

PHA's that received 2020 Shortfall Set-Aside funds are exempt from this offset.
PHA's that received 2020 Lower-than-average Leasing funds are exempt from this offset.

6. Set Aside Funding

- This field is editable, so once the PHA is awarded funding, the PHA can add the amount to the tool
- Amount of Set Aside funding is established via appropriations each year
- PIH Notice 2021-10, $110M
  - Shortfall
  - Unforeseen Circumstances
  - Portability Cost Increases
  - PBV
  - VASH
  - Lower-than-average Leasing
  - Disaster

Funding Components	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
Set Aside Funding	$0		

7. New Unit Funding

- If the PHA was awarded new units, the amount of funding will be pre-populated here
  - See next slide
- If the amount of funding is not here, then the PHA can access the Additional Tools\New ACC units

Funding Components	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
New ACC Units Funding	$0	$0	$0

If Already Populated In Tool – Example

NEW UNIT FUNDING

Enclosure A

Calculation of Calendar Year 2019 Renewal Funding
Housing Choice Voucher Program

Amount of NEW funding for CY

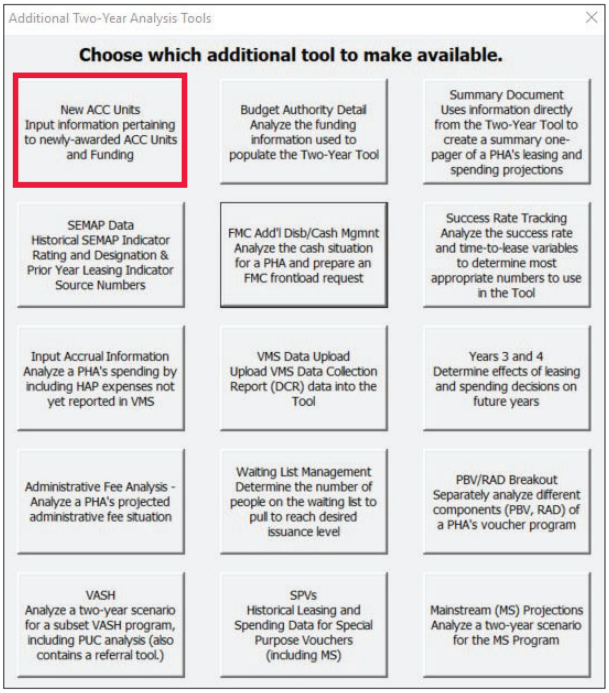
1	HA Number:	
2	HA Name:	
	CY 2019 Renewal Funding	
3	CY 2019 HCV Renewal Funding after Offset and Amounts Owed HUD	$5,535,763
	CY 2019 Non-Renewal Funding	
4	CY 2019 Non-Renewal Funding (TPVs, VASH, etc.) to Date	$275,303
5	CY 2019 Estimated RAD 1 Funding For First Full Year After Conversion	$0
6	CY 2018 Proration Increase	$0
7	Total CY 2019 HCV Renewal and Non-Renewal Funding	$5,811,066

Not In Tool

NEW UNIT FUNDING

Save | Access Additional Tools | Disclaimer

Program Projection Variables			
Success Rate	70%	Annual Turnover Rate	7.6%
			PIC EOP % as of 5/31/2020 (58 EOPs): 8.30%



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Not In Tool

NEW UNIT FUNDING

Instructions

New ACC Unit Calculations

2021 Average PUC	$406.59	New Units 2021		
Month Effective		New Units	Total Awarded BA (12 months)	Carryover into 2022
2021	January			
2021	February			
2021	March			
2021	April			
2021	May			
2021	June			
2021	July			
2021	August			
2021	September			
2021	October			
2021	November			
2021	December			
	Totals	*0*	*$0.00*	*$0*

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8. Total ABA Funding "Eligibility"

- Total ABA funding is the sum or Budget Authority, less offset of reserves plus any set aside funding and New ACC funding
- Eligibility
  - Re benchmarking funding
    - Net of offset
  - Set Aside funding
  - New acc unit funding
- SEMAP indicator measurement

Funding Components	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
Initial BA Funding (net offset)	$2,947,426	$2,552,049	$2,323,148
Offset of HAP Reserves	$159,101	$126,075	$0
Set Aside Funding	$0		
New ACC Units Funding	$0	$0	$0
Total ABA Funding Provided	$2,947,426	$2,552,049	$2,323,148

9. PHA Income

- PHA Income represents income that can be used for HAP. This field is editable.
- FSS escrow forfeiture
- Fraud recovery – HAP portion

Funding Components	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
PHA Income	$1,533	$0	

10. Total Cash to Support Year-End Reserves

Funding Components	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
Total Cash-Supported Prior Year-End Reserves	$574,114	$844,949	$1,073,851

HUD-Held Reconciliation Cash Sufficiency Check			
HUD-established CYE HHR	$530,840		HUD-established CYE HHR
HUD-estimated Net Excess Cash	$66,766	$43,274	PHA-Held Cash 12/31/2020 (VMS)
HUD-Reconciled	*$597,606*	*$574,114*	*HUD-Reconciled (Cash Capped)*
Lower of H17/I17 (May Override)	$574,114		Lower of H17/I17 (May Override)
HUD-Reconciled Excess Cash v PHA RNP (12/31/2020)			
HUD v. PHA difference: $26,275.00 or 0.9% of Eligibility	$40,491	<--VMS EOY RNP ========== EOY Excess Cash -->	$66,766

This is HUD's reconciliation of CYE reserves HHR + RNP.

11. Total Funding

- Go lease units! This represents the estimated total funding the PHA has to spend on HAP, UAP and FSS escrow payments for 2021, 2022, 2023
- Total Funding would be:
- Eligibility
- Other income
  - FSS Escrow forfeiture
  - ½ of fraud recovery HAP portion
- RNP carried forward from prior CY
- HHR carried forward from prior CY

ACC	Current Year (2021)	Year 2 (2022)	Year 3 (2023)
Total Funding			
Total Funding Available	$3,523,073	$3,396,998	$3,396,998

PIH Notice 2021-10 – Set-Aside Funds

Set-Aside	UC-2a	LTAL-5	FY20 - UC
Likely Eligible?	-	-	-

Category 2a: Unforeseen Circumstances
Category 5: Lower-than-average-Leasing
Cost Increase: CY 2020 PUC is 102% greater than PUC renewal funding for 2020

HUD-Held Reconciliation

1. Represents HHR from the prior CY end
2. HUD estimated Net Excess Cash is really just RNP
3. HUD reconciled reserves is HHR + RNP
4. Cash as reported on VMS
5. HUD Reconciled Cash Capped is just cash as reported on VMS + HHR
6. The reconciliation is of RNP is HUD vs. PHA

HUD-Held Reconciliation Cash Sufficiency Check			
1 HUD-established CYE HHR	$530,840		HUD-established CYE HHR
2 HUD-estimated Net Excess Cash	$66,766	$43,274	PHA-Held Cash 12/31/2020 (VMS) 4
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Lower of H17/I17 (May Override)	$574,114		Lower of H17/I17 (May Override)
HUD-Reconciled Excess Cash v PHA RNP (12/31/2020)			
HUD v. PHA difference: $26,275.00 or 0.9% of Eligibility	$40,491 6	<--VMS EOY RNP ========== EOY Excess Cash -->	$66,766

1. CYE HUD Held Reserve

- This amount must be monitored by the PHA to ensure the PHA's amount equals HUD's amount.
  - It is calculated by taking the Annual Budget Authority (ABA) less HUD disbursements to the PHA each calendar year.
- This is a cumulative for every calendar year
- Any ABA that is remaining at the end of a calendar year will get moved to the HHR
- HHR can be used to fund future HAP expenses

2. HUD Estimated Cash

- This amount must be monitored by the PHA to ensure the PHA's amount equals HUD's amount.
  - It is HUD's calculation of the PHA's Restricted Net Position (RNP), or the cash the PHA should have only for HAP, UAP and FSS escrow payments.
- It is calculated by taking the HAP funding received by HUD less HAP, HAP Port Out, UAP and FSS escrow payments made the Authority.
- This is a cumulative for every calendar year

3. HUD Reconciled Reserves

HUD reconciled reserves is HUD's combined calculation of HUD-held reserves and RNP.

4. PHA Held Cash, CY on VMS

This represents the amount of cash reported on the VMS at CY end.
The calculation that should be used is:

All **RECONCILED** cash
+/- Inter-funds
- FSS liabilities
- Current liabilities
CASH REPORTED ON VMS

Does the PHA have enough cash to cover RNP?

5. HUD Reconciled Cash Capped

- This is HUD's calculation of HHR and the amount of cash the PHA is reporting on the VMS.
- It calculates the amount of total cash the HCV program has
- This includes HAP funds and Administrative funding

6. HUD Reconciled Excess Cash (HUD vs. PHA) RNP

- The Tool will compare the difference between the RNP as calculated by HUD and RNP as reported by the PHA.
- It compares the combined HUD reported HHR and RNP to the amount of cash the PHA is reporting.
- HUD wants to make sure there is cash to cover the RNP!

Funding Proration Levels & Excess Reserves Offset

1. This part of the TYT can be edited to provide projected proration levels for Year 2 and Year 3 for both HAP and Admin Fee funding
2. The PHA will be able to estimate any reduction in funding due to funding offsets
   - Excess RNP and HHR
   - PHA can estimate from another part of the Tool that we will discuss later

Funding Proration/Offset Levels		
HAP		
Year 2 (2022) Rebenchmark	100.0%	1
Year 3 (2023) Rebenchmark	100.0%	1
Year 2 (2022) % 'Excess' Reserves Offset	25.0%	2
Year 3 (2023) % 'Excess' Reserves Offset	0.0%	2
Administrative Fees		
Year 1 (2021)	82.0%	1
Year 2 (2022)	80.0%	1

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Estimating Excess Reserves to be Offset

Leasing and Spending Outcomes: Current and Following Year Projections		
	2021	2022
End of Year Results		
Projected 12/31 Total HAP Reserves	$844,949	$1,073,851
HAP Reserves as % of ABA (Start: 19.5%)	28.7%	42.1%
"Excess" Reserves Subject To Offset	$504,299	$971,769
End of Year 3 Results (2023)		
$1,387,835	59.7%	Projected Total HAP Reserves ========= Reserves % BA

This represents the estimated amount of funding that will be reduced in the following year.

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Program Projection Variables

- The Success Rate represents the Vouchers that actually enter into a lease that were issued.
  - For example, if the PHA issues 10 vouchers, and 7 get leased, then the Success Rate is 70%
- Annual Turnover Rate is the average amount of people that leave the program each year. (EOP)

Program Projection Variables			
Success Rate	70%	Annual Turnover Rate	14.4%
			PIC EOP % as of 3/31/2021 (73 EOPs): 12.54%

Time From Issuance to HAP Effective Date

- This part of the TYT represents the average amount of days it takes the 70% of Success Rate vouchers to get leased.
- For example, assume 100 vouchers get issued and 70 get leased up or a 70% success rate
  - 18% of the 70 are leased in 30 days or 13 leases
  - 40% of the 70 are leased in 30 to 60 days or 28 leases

Time from Issuance to HAP Effective Date (Current: 2.28 months)	
% leased in 30 days	18%
% leased in 30 to 60 days	40%
% leased in 60 to 90 days	38%
% leased in 90 to 120 days	4%
% leased in 120 to 150 days	0%

Leasing & Spending Outcomes

- UML percentage leased is only UML/UMA
- HAP expense of all Funds is total funding of ABA [including set-aside funds] and reserves (RNP & HHR)
- HAP expense a percent of eligibility is total HAP expense as compared to ABA only
- This is a great tool to assist in monitoring for SEMAP

Leasing and Spending Outcomes: Current and Following Year Projections		
	2021	*2022*
UML % of ACC (UMA)	82.3%	71.3%
HAP Exp as % All Funds	76.0%	68.4%
HAP Exp as % of Eligibility only	86.2%	86.7%

Year End Results

- Projected HAP reserves reflects the amount of funds that are remaining at CYE
- Target reserves at CYE vs. what was ABA
- Amount of funds that could be offset based on prior year's offset methodology

Leasing and Spending Outcomes: Current and Following Year Projections		
2021		2022
End of Year Results		
Projected 12/31 Total HAP Reserves	$844,949	$1,073,851
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$1,387,835	59.7%	Projected Total HAP Reserves ========= Reserves % BA

Administrative Fee Analysis

Based on leasing projections

	False **Administrative Fees Analysis**			2021	2022
CARES Act Admin Fees (2020)	<= 7,200 UMLs (No Proration)	> 7,200 UMLs (No Proration)	Admin Fees Earned (PY: $363,590)	$352,606	$297,517
$165,082	**$65.82**	**$61.43**	Expense	$461,772	$477,564
			Expense %	131.0%	160.5%
	TN002 has a cost per UML of $55.14 compared to its Earnings/UML & Size peer group of $53.60 (a difference of 2.8%) and its state peer group (of all PHAs in the state) of $54.30 (a difference of 1.5%).		Based on the most recent, official (end of fiscal year) UNP, TN002 has a projected 2021 Calendar Year-End (CYE) UNP of ($197,320) (or -56% of CY 2021 Earned Admin Fees) and a 2022 CYE UNP of ($377,368) (or -126.8% of CY 2022 Earned Admin Fees).		

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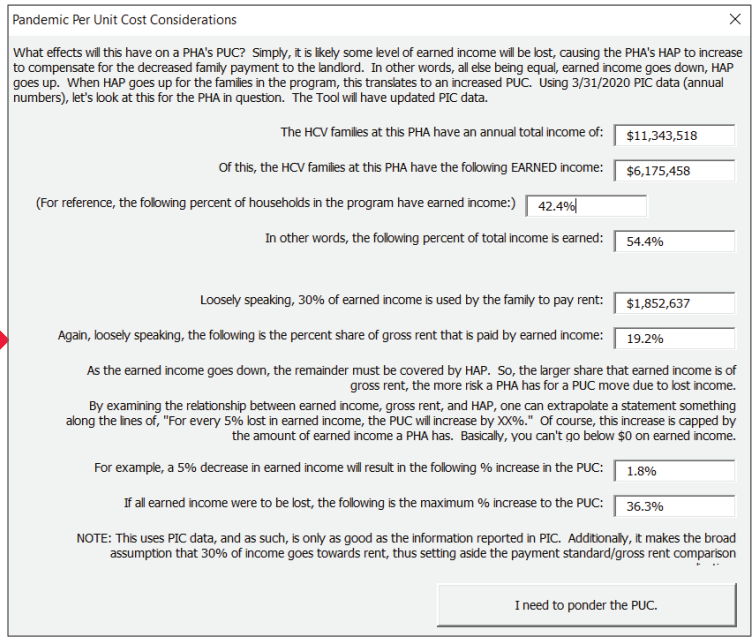
Total Earned Annual Income – This Has Been Removed

Total Earned Income (Annual)	
3.31.2020	$6,175,458
5.31.2020	$5,181,151
Using PIC data, a 5% decrease in earned income means a ___ increase in the PUC.	
3.31.2020	1.8%
5.31.2020	1.5%

Ctrl+E



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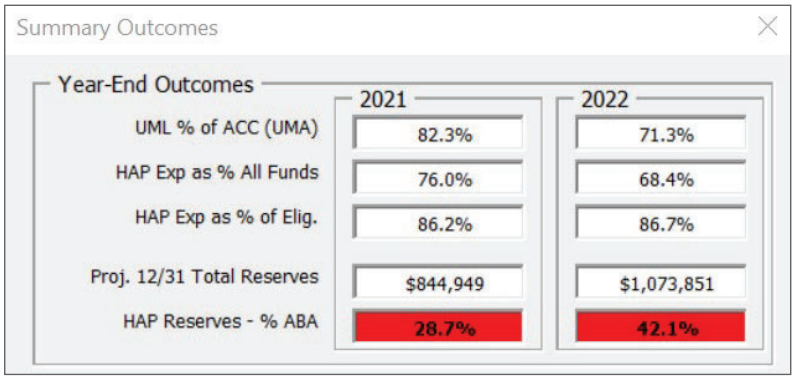
Summary Outcomes – Floating Box

This window will remain open during the use of the tool and will provide live forecasting data for:

- UML % of ACC (UMA)
- HAP expense as a % of all funds
- HAP expense as a % of eligibility
- Projected 12/31 total reserves
- HAP reserves as a % of ABA



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Leasing Analysis

2021	UMAs	Actual UMLs	Actual HAP	Vouchers Issued/Projected To Be Issued	Other Planned Additions/ Reductions	New Leasing from Issued Vouchers	Estimated Attrition	UMLs: Actual/Projected	HAP: Actual/Projected	PUC: Actual/Projected	Manual PUC Override	Cumulative % Annual Leased	Cumulative % Eligibility Expended	Monthly UML %	Monthly ABA Expended %
Jan-21	667	577	$230,969					577	$230,969	$400		86.5%	89.2%	86.5%	89.2%
Feb-21	667	580	$236,171					580	$236,171	$407		86.7%	90.2%	87.0%	91.2%
Mar-21	667	0	$0			0	-7.0	573	$233,330	$407		86.5%	90.2%	85.9%	90.1%
Apr-21	667	0	$0			0	-6.9	566	$230,524	$407		86.1%	89.9%	84.9%	89.0%
May-21	667	0	$0			0	-6.8	559	$227,751	$407		85.6%	89.5%	83.9%	88.0%
Jun-21	667	0	$0			0	-6.7	553	$225,012	$407		85.2%	89.1%	82.8%	86.9%
Jul-21	667	0	$0			0	-6.6	546	$222,306	$407		84.7%	88.6%	81.9%	85.9%
Aug-21	667	0	$0			0	-6.6	539	$219,632	$407		84.2%	88.2%	80.9%	84.8%
Sep-21	667	0	$0			0	-6.5	533	$216,990	$407		83.7%	87.7%	79.9%	83.8%
Oct-21	667	0	$0			0	-6.4	526	$214,381	$407		83.3%	87.2%	78.9%	82.8%
Nov-21	667	0	$0			0	-6.3	520	$211,802	$407		82.8%	86.7%	78.0%	81.8%
Dec-21	667	0	$0			0	-6.3	514	$209,255	$407		82.3%	86.2%	77.0%	80.8%
Total	8,004	1,157	$467,140	0	0	0	-66.1	6,587	$2,678,124	$407		82.3%	86.2%		

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Leasing Analysis

- Based on a calendar year
- UMA's is just the number of units in your baseline
- UMLs represent the number of units under lease on the first day of the month
- Actual HAP is total HAP expense for the month

2021	UMAs	Actual UMLs	Actual HAP
Jan-21	667	577	$230,969
Feb-21	667	580	$236,171
Mar-21	667	0	$0
Apr-21	667	0	$0
May-21	667	0	$0
Jun-21	667	0	$0
Jul-21	667	0	$0
Aug-21	667	0	$0
Sep-21	667	0	$0
Oct-21	667	0	$0
Nov-21	667	0	$0
Dec-21	667	0	$0
Total	8,004	1,157	$467,140

Leasing Analysis

- Vouchers Issued
  - This is where you estimate the number of vouchers issued each month
- Other Planned Additions
  - These Vouchers do not run through the success rate
- New Leasing from Issued Vouchers
  - This comes from the Vouchers Issued, but runs through success rate

2021	Vouchers Issued/ Projected To Be Issued	Other Planned Additions/ Reductions	New Leasing from Issued Vouchers
Jan-21			
Feb-21			
Mar-21			0
Apr-21			0
May-21			0
Jun-21			0
Jul-21			0
Aug-21			0
Sep-21			0
Oct-21			0
Nov-21			0
Dec-21			0
Total	0	0	0

Leasing Analysis

2021	Estimated Attrition
Jan-21	
Feb-21	
Mar-21	-7.0
Apr-21	-6.9
May-21	-6.8
Jun-21	-6.7
Jul-21	-6.6
Aug-21	-6.6
Sep-21	-6.5
Oct-21	-6.4
Nov-21	-6.3
Dec-21	-6.3
Total	**-66.1**

Annual Turnover Rate	14.4%

PIC EOP % as of 3/31/2021 (73 EOPs): 12.54%

Estimated Attrition

This field represents the number of participants that leave the program on the EOP percentage

Leasing Analysis

UML ACTUAL/PROJECTED:

- This comes from Actual UMLs the PHA can edit for future months
- VMS

HAP ACTUAL/PROJECTED:

- This comes from the Actual HAP the PHA can edit for future months
- VMS

PUC ACTUAL/PROJECTED:

- This is based on the actual/projected HAP and UMLs

2021	UMLs: Actual/ Projected	HAP: Actual/ Projected	PUC: Actual/ Projected
Jan-21	577	$230,969	$400
Feb-21	580	$236,171	$407
Mar-21	573	$233,330	$407
Apr-21	566	$230,524	$407
May-21	559	$227,751	$407
Jun-21	553	$225,012	$407
Jul-21	546	$222,306	$407
Aug-21	539	$219,632	$407
Sep-21	533	$216,990	$407
Oct-21	526	$214,381	$407
Nov-21	520	$211,802	$407
Dec-21	514	$209,255	$407
Total	6,587	$2,678,124	$407

Leasing Analysis

MANUAL PUC OVERRIDE

- This feature allows the PHA to adjust the PUC to determine the affect on future HAP requirements and reserve levels.
- Must be allowed by the user when the tool is opened.

2021	Manual PUC Override
Jan-21	
Feb-21	
Mar-21	
Apr-21	
May-21	
Jun-21	
Jul-21	
Aug-21	
Sep-21	
Oct-21	
Nov-21	
Dec-21	
Total	

Leasing Analysis

CUMULATIVE % ANNUAL LEASED

- This column projects the YTD % of units leased.

CUMULATIVE % ELIGIBILITY EXPENDED

- This column represents the YTD funding utilized.
- ABA
- Set Aside
- New Funding

2021	Cumulative % Annual Leased	Cumulative % Eligibility Expended
Jan-21	86.5%	89.2%
Feb-21	86.7%	90.2%
Mar-21	86.5%	90.2%
Apr-21	86.1%	89.9%
May-21	85.6%	89.5%
Jun-21	85.2%	89.1%
Jul-21	84.7%	88.6%
Aug-21	84.2%	88.2%
Sep-21	83.7%	87.7%
Oct-21	83.3%	87.2%
Nov-21	82.8%	86.7%
Dec-21	82.3%	86.2%
Total	82.3%	86.2%

Leasing Analysis

MONTHLY UML %

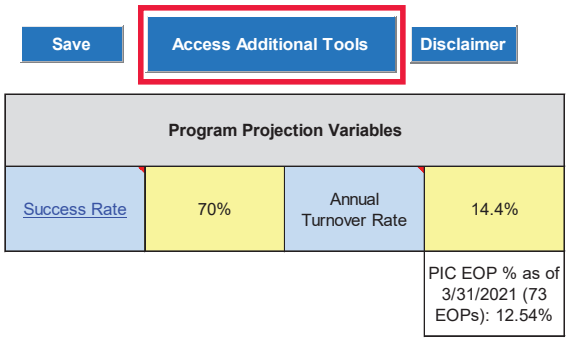
- This column represents the units leased compared to the baseline units for the month

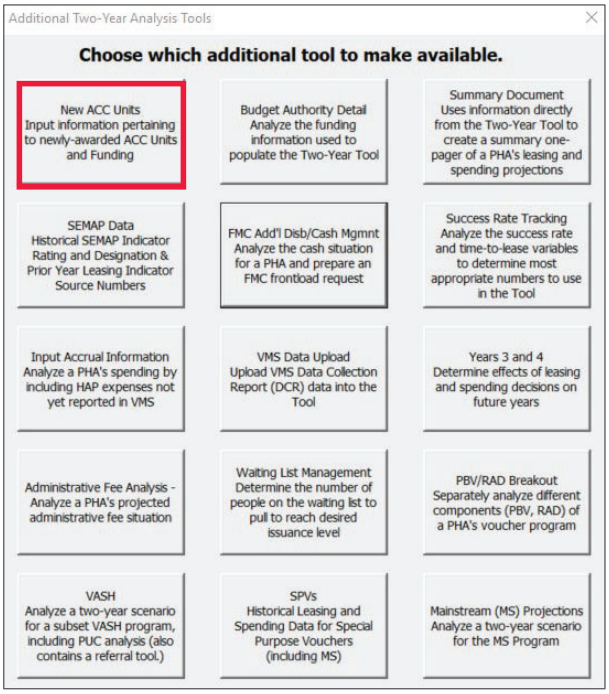
MONTHLY ABA EXPENDED %

- This column represents the ABA (eligibility) used for the moth. Take the eligibility and divide by 12 to get the monthly available

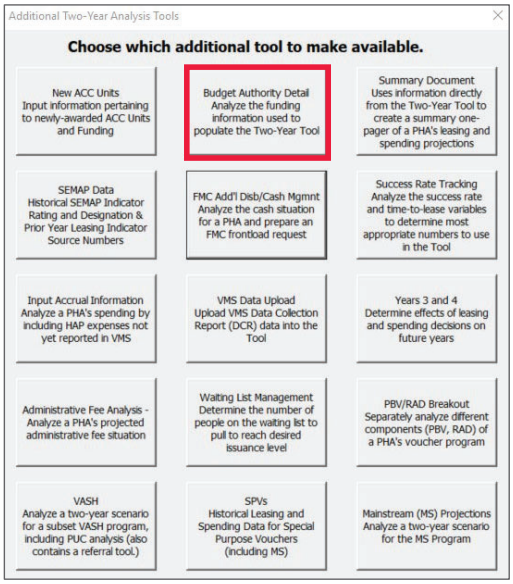
2021	Monthly UML %	Monthly ABA Expended %
Jan-21	86.5%	89.2%
Feb-21	87.0%	91.2%
Mar-21	85.9%	90.1%
Apr-21	84.9%	89.0%
May-21	83.9%	88.0%
Jun-21	82.8%	86.9%
Jul-21	81.9%	85.9%
Aug-21	80.9%	84.8%
Sep-21	79.9%	83.8%
Oct-21	78.9%	82.8%
Nov-21	78.0%	81.8%
Dec-21	77.0%	80.8%
Total		

Additional Tools





Budget Authority Detail



PHA Code	12/31/2020 Lower of Excess Cash / C & I	12/31/2020 Unreconcile HHR	TYT Total Reserves	2021 Renewal Authority (Net Offset)	2021 Non-Renewal Authority	2021 Offset	2021 New Units	2021 Total Set Aside	2021 Set Aside (Shortfall)	2021 Set Aside (UC/LTAL)
TN002	$43,274	$530,840	$574,114	$2,947,426	$0	$159,101	$0	$0	$0	$0

Funding Increments as of 04/12/2021

PHA Code	Increment	Fund	Program Code	Effective Date	Expiration Date	Detail	Units	Program	Amount

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Summary Document

TN002 Two-Year Voucher Forecasting Summary

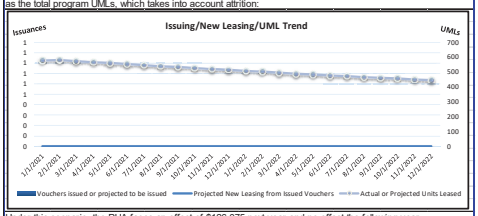
5/10/2021

Prepared for:	BDA	Prepared by:	BDA

Using the Housing Choice Voucher (HCV) Two-Year Tool, which allows a user to examine a PHA's voucher program under a variety of leasing, per-unit cost (PUC), and other key program scenarios, the attached tool estimates the program to end the current year with $844,949, or 29% of budget authority. It is important to examine the program in light of the second year as well. In this scenario, TN002 will end the second year with $1,073,851, or 42% of budget authority. This scenario relies upon the following key variables:

Success Rate	Attrition Rate	Time from Issuance to HAP Effective Date
(How many issued vouchers will go to HAP)	(What percent of participants annually leave)	(How fast do successful issuances lease up)
		Leased in / Percent
70%	14%	0-30 Days / 18%
Year 1 PUC	Year 2 PUC	31-60 Days / 40%
(Average monthly cost of a voucher - Year 1)	(Average monthly cost of a voucher - Year 2)	61-90 Days / 38%
$407	$407	91-120 Days / 4%
		121-150 Days / 0%

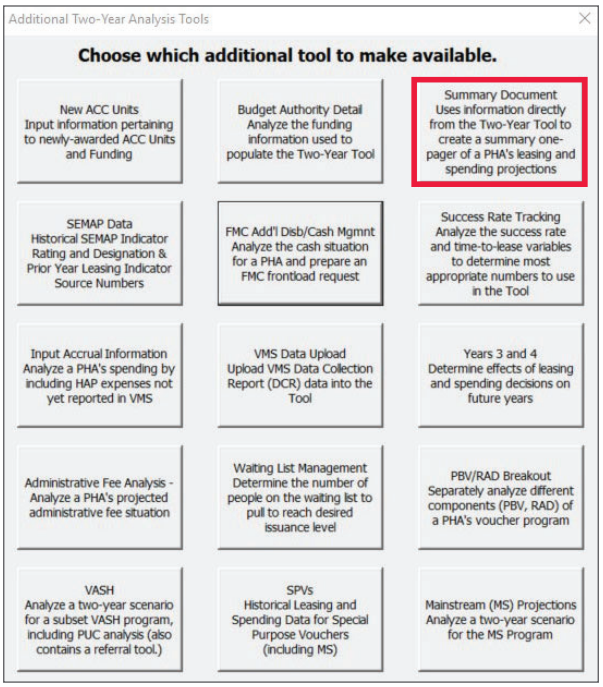
After deciding upon the above variables, the largest driver of the program revolves around the decision to issue vouchers. This scenario includes issuing 0 vouchers in the first year and 0 in the second year. In addition, the tool includes 0 planned lease-ups (i.e. project-based vouchers coming online, tenant-protection vouchers) through the end of the following year. This results in a total of 0 new lease-ups this year and 0 new lease-ups next year. Please see the below graph, which shows issued vouchers and associated leasing, as well as the total program UMLs, which takes into account attrition:



Under this scenario, the PHA faces an offset of $126,075 next year and no offset the following year. Additionally, the higher of this year's leased units (89.9%) or dollars (84.4%) is 89.9%, indicating no leasing indicator points in SEMAP. This is a VASH-adjusted estimate. Next year, the higher of leased units (77.8%) or dollars (86.7%), indicating no leasing indicator points in SEMAP. This is a VASH-adjusted estimate.

TN002 Administrative Fee Overview

Based on the most recent, official (end of fiscal year) UNP, TN002 has a projected 2021 Calendar Year-End (CYE) UNP of ($197,320) (or -56% of CY 2021 Earned Admin Fees) and a 2022 CYE UNP of ($377,368) (or -126.8% of CY 2022 Earned Admin Fees). This projection uses average monthly administrative expense and carries it forward for the remaining months.



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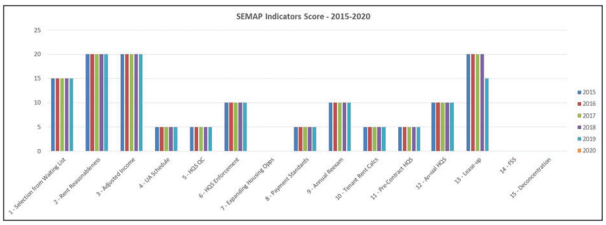
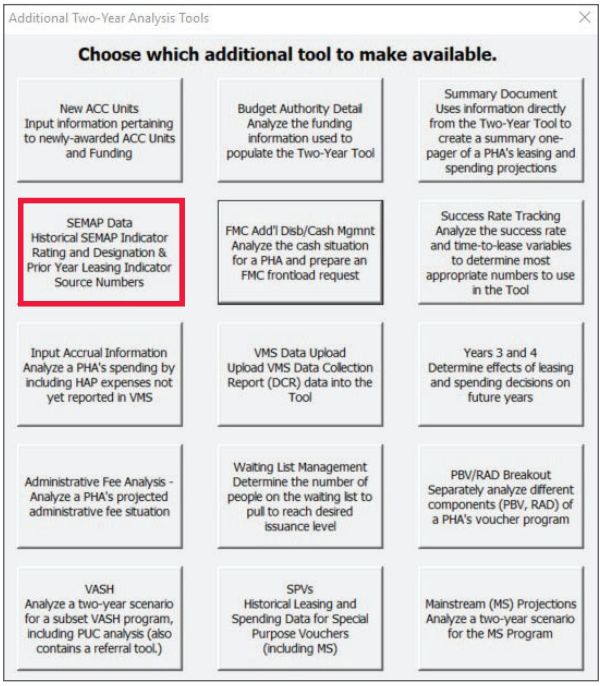
SEMAP Data

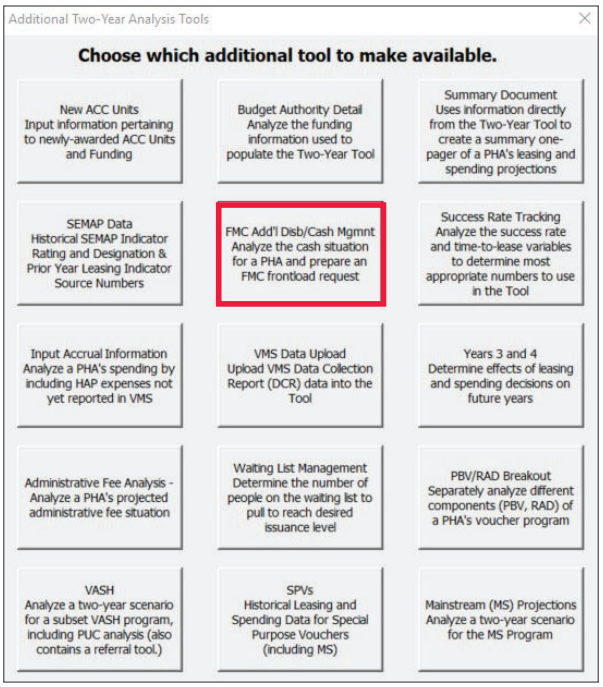




FMC Disbursements

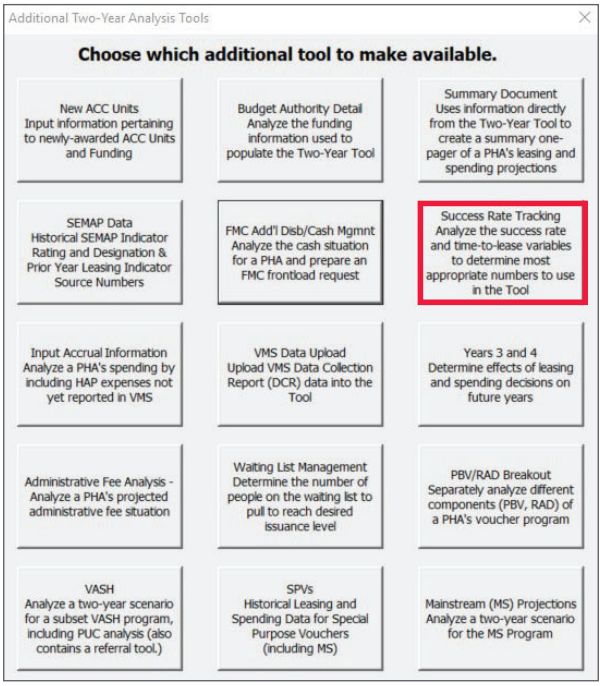
CONTAINS DETAILS ON:

- HUD disbursements
- RNP
- HHR
- Obligations
- HAP expenses
- HUD vs. PHA RNP



Success Rate Tracking

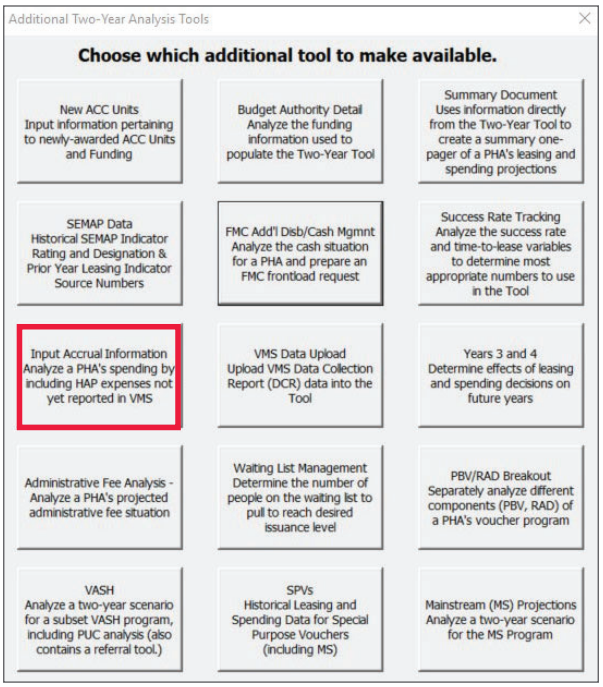
- Allows PHA to forecast success rates
- Allows PHAs to monitor Waitlist Success rates
- Contains graphs and charts



Accruals

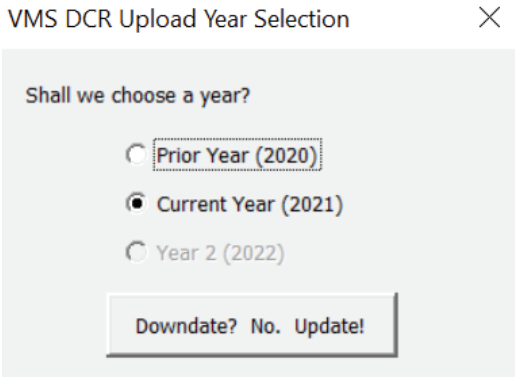
ADDS A COLUMN FOR HAP COSTS.

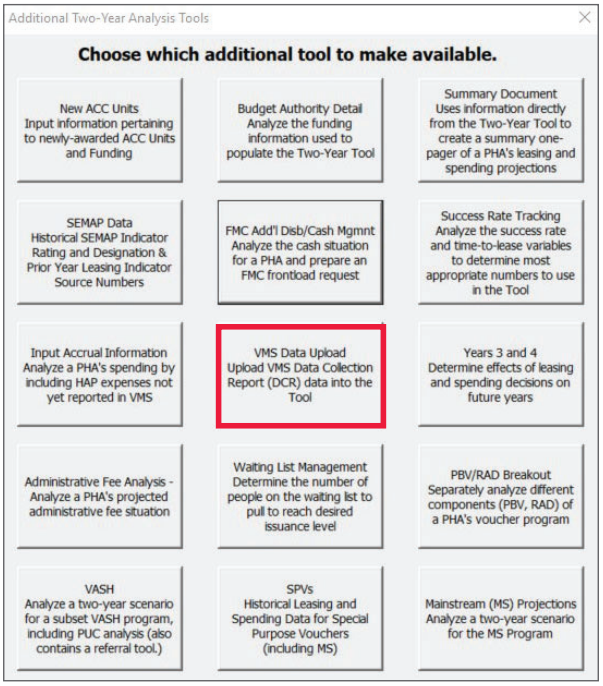
Monthly ABA Expended %	Accruals
94.2%	
95.0%	
92.4%	
94.8%	
94.3%	
96.6%	
99.3%	
100.0%	
101.9%	
103.7%	
103.6%	
103.4%	



VMS Data Upload

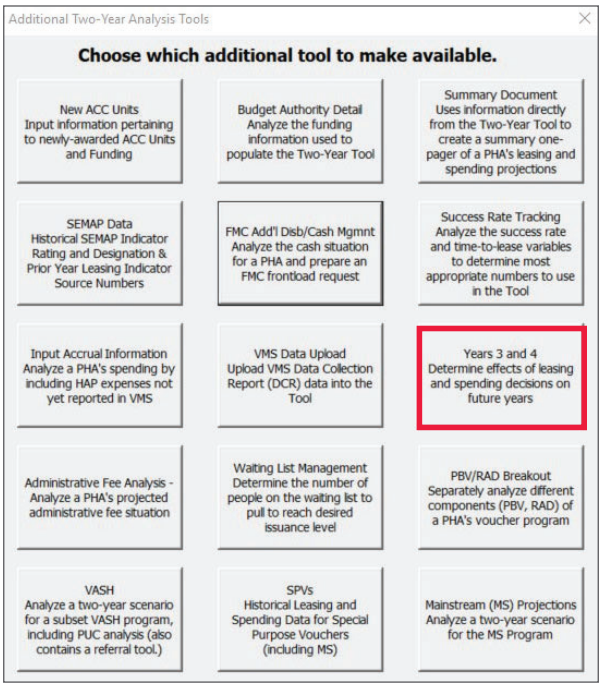
- Allows to upload data from the VMS Tool that has been previously downloaded.
- Save the latest VMS to your desktop!





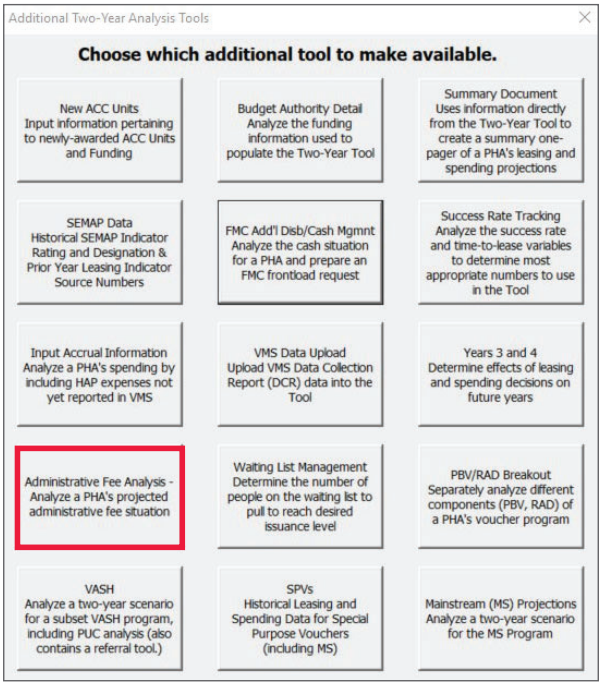
Years 3 And 4 Leasing

- This allows the PHA to project leasing in years 3 and 4.
- Same as Leasing Analysis used for years 1 and 2.



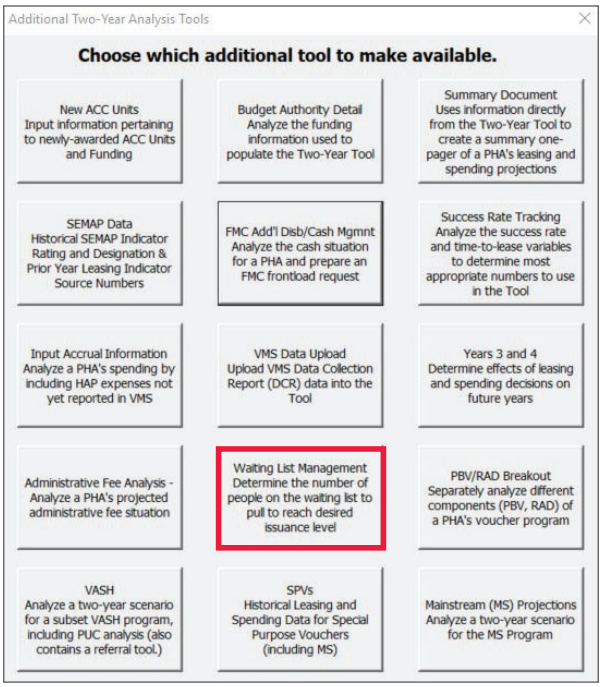
Administrative Fee Analysis

Estimates profitability by analyzing admin fee revenue and admin expenses.



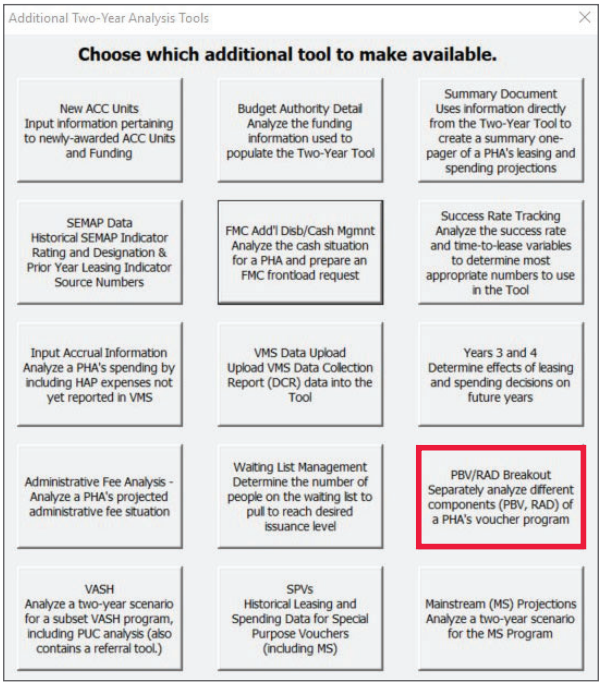
Waitlist Management

Analyzes the number of people from the waiting list needed to meet projection goals.



PBV RAD Breakout

- Will analyze different components of PBV and RAD for the PHA's Voucher program.
- Consists of graphs and charts and other useful data.



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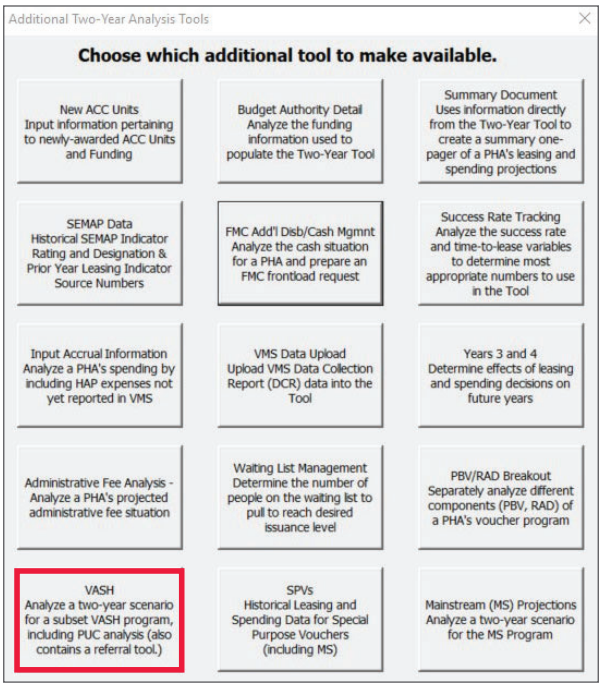
VASH Vouchers

- Will enable the use of the Two-Year Tool subject to the VASH program.
- If the PHA does not have a VASH program nothing will appear.



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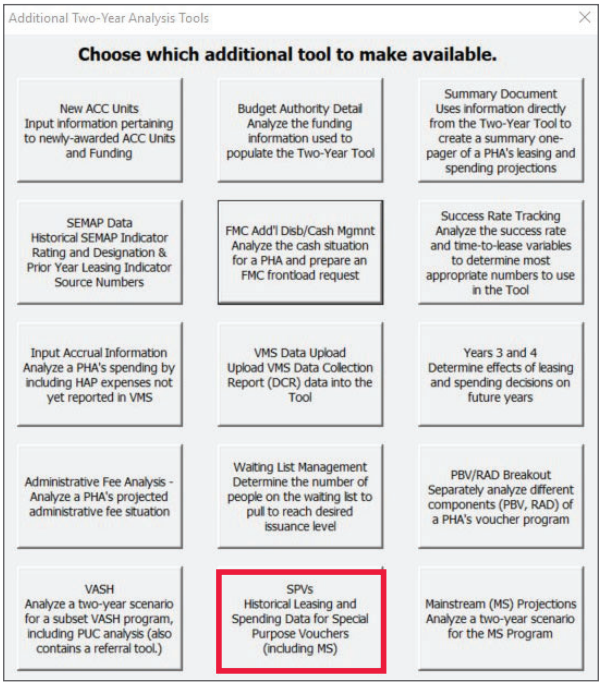
Special Purpose Vouchers

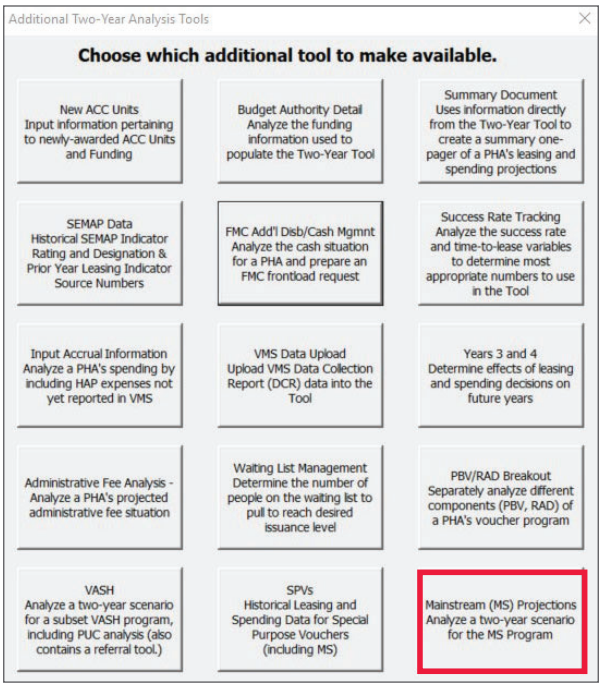
This will provide the PHA chart analysis for UMA vs. UML leasing and HAP PUC.



Mainstream 5 Two-Year Tool

This feature allows the PHA to create a Two-Year Tool just for Mainstream 5 (MS5) vouchers.

THIS IS PRETTY COOL!



Questions?

bdophafinance.com

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