

COUNTY OF



ALLEGHENY

RICH FITZGERALD
COUNTY EXECUTIVE

Residential Finance Authority

1. General Fund
2. Bond Defeasance Fund
3. Low Interest Loan Fund

2023 Budget

ADOPTED

**ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY
GENERAL FUND
2023 ADOPTED BUDGET**

	2022 Adopted Budget	2022 Projected Revenue/Costs	2023 Adopted Budget	Increase/ (Decrease)	Notes
Beginning Operating Reserve	\$ 227,835	\$ 216,661	\$ 151,171	\$ (76,664)	1
<u>REVENUES</u>					
ACED Administrative Contract	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	2
Agenda Fees	\$ -	\$ -	\$ 0	\$ -	3
Annual Fees	\$ 3,244	\$ 4,708	\$ 4,709	\$ 1,465	4
Application Fees	\$ -	\$ -	\$ 0	\$ -	5
Closing Fees	\$ -	\$ -	\$ 0	\$ -	6
Interest Income	\$ 23	\$ 590	\$ 4,157	\$ 4,134	7
Other Income	\$ 500	\$ 253	\$ 500	\$ -	8
TOTAL REVENUES	\$ 303,767	\$ 305,550	\$ 309,366	\$ 5,599	
<u>EXPENSES</u>					
ACED Administrative Contract	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	9
Audit	\$ 11,750	\$ 18,722	\$ 12,900	\$ 1,150	10
Conference & Travel	\$ 2,000	\$ -	\$ 500	\$ (1,500)	11
Dues & Subscriptions	\$ 3,500	\$ 1,880	\$ 0	\$ (3,500)	12
Insurance	\$ 2,500	\$ 1,700	\$ 2,500	\$ -	13
Legal	\$ 27,500	\$ 27,129	\$ 10,560	\$ (16,940)	14
Legal Advertising	\$ 1,000	\$ -	\$ 1,000	\$ -	15
Marketing, Meetings, and Promotion	\$ 1,000	\$ -	\$ 1,000	\$ -	16
Office Equipment	\$ 1,000	\$ -	\$ 1,000	\$ -	17
Office Supplies	\$ 6,000	\$ 5,216	\$ 2,592	\$ (3,408)	18
Miscellaneous	\$ 16,800	\$ 16,393	\$ 670	\$ (16,130)	19
Furniture Allowance	\$ -	\$ -	\$ 3,000	\$ 3,000	20
TOTAL EXPENSES	\$ 373,050	\$ 371,040	\$ 335,722	\$ (37,328)	
Excess (Deficit) Revenues Over Expenses	\$ (69,283)	\$ (65,490)	\$ (26,356)	\$ 42,927	
Ending Operating Reserve	\$ 158,552	\$ 151,171	\$ 124,815	\$ (33,737)	

**ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY
GENERAL FUND
2023 ADOPTED BUDGET**

1. BEGINNING OPERATING RESERVE

2022 Beginning Operating Reserve	\$ 216,661
Projected 21 Projected	(65,490)
2023 Project Revenue/Costs	\$ 151,171

2. ADMINISTRATIVE CONTRACT - ACED

The amount of the administrative contract with the ACED will remain the same in 2023

\$ 300,000

3. AGENDA FEES

Agenda fees are monies paid by participants who require changes to already approved financing agreements to the Board of Directors. Projection assumes no new projects in 2023.

\$ 0

4. ANNUAL FEES

The annual fees for series 2007 Combined have decreased due to Broadview Manor and Versailles-Arch being fully redeemed. Per Bob Pavlovic, both were fully paid back and closed in April 2022.

\$ 4,709

Annual Fees*

2017 Series BBB Annual Fee	\$	3,239.64
2007 Series Combined 2023 Annual Fee	\$	344.00
Broadview Manor	\$	-
Independence Housing Apartments	\$	344.00
Versailles Arch Apartments	\$	-
2013 Series Rolling Woods Annual Fee	\$	1,125.00
Total Annual Fees in 2023	\$	4,708.64

*Estimates- See Schedule A

5. APPLICATION FEES

The First Time Homebuyer Program will not charge the \$1,000 fee to the participating lenders for Single Family Series.

\$ 0

6. CLOSING FEES

We are not anticipating any new bond deals in 2023

\$ 0

7. INTEREST INCOME

2023 projected interest income was calculated below:

2023 Beginning Operating Reserve	\$ 151,171
Percentage rate	2.75%
2023 Projected Interest	\$ 4,157

8 . <u>OTHER INCOME</u>	<u>\$ 500</u>
Projection assumes various undetermined revenue that may be received throughout the year.	
9 . <u>ADMINISTRATIVE CONTRACT - ACED</u>	<u>\$ 300,000</u>
Projection assumes the administrative contract between the RFA and the Allegheny County Department of Economic Development will remain at \$300,000 in 2023. The ACRFA Defeasance Fund will pay the entire \$300,000.	
10 . <u>AUDIT</u>	
Professional audit fees are typically contracted every three (3) years, however RFA extended it's current contract with Maher Duessel for an additional two years. In 2024, the authorities will issue another RFP for years 2024-2027.	
2023 Audit Fees (for YE 2022 audit)	<u>\$ 12,900</u>
11 . <u>CONFERENCE & TRAVEL</u>	<u>\$ 500</u>
Allowance for conference registration fees, hotel charges, meals and mileage.	
12 . <u>DUES AND SUBSCRIPTIONS</u>	
No projected dues or subscriptions for 2023	
	<u>\$ -</u>
	<u>\$ -</u>
13 . <u>INSURANCE</u>	
Insurance Premiums included for 2023:	
Directors & Officers Liability Insurance Premium	\$ 2,500
General Liability Insurance	0
2023 Insurance (rounded)	<u>\$ 2,500</u>
14 . <u>LEGAL</u>	
Fees are based on current Clark Hill, PLC contract. Based on estimated total FDC aggregate of \$52,800	
Contract Amount (\$52,800 / 5)	\$ 10,560
Total Legal Fees 2023	<u>\$ 10,560</u>
15 . <u>LEGAL ADVERTISING</u>	
Budgeted for the 2023 (YE 2022) audited financials advertisement.	
	<u>\$ 1,000</u>
16 . <u>MARKETING, MEETINGS, AND PROMOTION</u>	<u>\$ 1,000</u>
Assumes the cost of promoting and advertising programs in local newspapers and the cost of brochures.	
17 . <u>OFFICE EQUIPMENT</u>	
Allowance for the purchase of items such filing cabinets & shelving.	
	<u>\$ 1,000</u>
18 . <u>OFFICE SUPPLIES</u>	
Allowance for the purchase of general office supplies such as calculators, vouchers and yearly software license for QuickBooks and Pinnacle fees (\$900 + \$1,692.31)	
	<u>\$ 2,592</u>
19 . <u>MISCELLANEOUS</u>	
Allowance for bank service charges	
	<u>\$ 670</u>
20 . <u>FURNITURE</u>	
Allowance for items such as furniture.	
	<u>\$ 3,000</u>

**ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY
ACRFA BOND DEFEASANCE FUND
2023 ADOPTED BUDGET**

	<u>2022 Adopted Budget</u>	<u>2022 Projected Revenue/Costs</u>	<u>2023 Adopted Budget</u>	<u>Increase/ (Decrease)</u>	<u>Notes</u>
Beginning Program Reserve	\$ 3,303,340	\$ 3,338,864	\$ 3,138,285	\$ (165,055)	1
<u>REVENUES</u>					
Escrow Investment Income	\$ 18,750	\$ 24,245	\$ 25,000	\$ 6,250	2
Residual Investment Income	90	87	90	0	3
Debt Service Income	250		20,283	20,033	4
Rolling Woods Annual Fees		1,125	1,125	1,125	5
Swissvale School House Program Income	115,700	115,700	0	(115,700)	6
Other Income	7,987	4,918	4,918	(3,069)	7
TOTAL REVENUES	<u>\$ 142,777</u>	<u>\$ 146,075</u>	<u>\$ 51,416</u>	<u>\$ (91,361)</u>	
<u>EXPENSES</u>					
ACED Administrative Contract	\$ 300,000	\$ 300,000	\$ 300,000	\$ 0	8
Single Family Program	0	0	0	0	9
Mortgage Loan Servicing	33	0	33	0	10
Cash Management Fees	150	0	150	0	11
Single Family Program - Professionals	130,000	46,653	130,000	0	12
New Projects	0.00		0	0	13
Bad Debt Expense	10,000	0	10,000	0	14
Miscellaneous	200	0	200	0	15
TOTAL EXPENSES	<u>\$ 440,383</u>	<u>\$ 346,653</u>	<u>\$ 440,383</u>	<u>\$ -</u>	
Excess (Deficit) Revenues Over Expenses	<u>\$ (297,606)</u>	<u>\$ (200,578)</u>	<u>\$ (388,967)</u>	<u>\$ (91,361)</u>	
Ending Operating Reserve	<u>\$ 3,005,734</u>	<u>\$ 3,138,285</u>	<u>\$ 2,749,318</u>	<u>\$ (256,416)</u>	

**ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY
ACRFA BOND DEFEASANCE FUND
2023 ADOPTED PROGRAM BUDGET**

1. BEGINNING PROGRAM RESERVE

83 Escrow Account	\$ 409,531
84 Escrow Account	1,952,474
85 Escrow Account	966,127
Total Escrow Balances	\$ 3,328,132
83 Residual Account	\$ 8,124
84 Residual Account	1,381
85 Residual Account	1,227
Total Residual Balances	\$ 10,732
Total Program Reserve	\$ 3,338,864
Reserve for First Time Home Buyer Program	
Projected 2022 Excess(Deficit)	(200,578)
2023 Projected Beginning Program Reserve	\$ 3,138,285

2. ESCROW INVESTMENT INCOME

Escrow Investment Income consists of dividends paid monthly to each fund.

83 Escrow Account	\$ 5,000
84 Escrow Account	10,000
85 Escrow Account	10,000
TOTAL ESCROW INVESTMENT INCOME	\$ 25,000

3. RESIDUAL INVESTMENT INCOME

Residual Investment Income consists of dividends paid monthly to each fund

83 Residual Account Dividend	\$ 48
84 Residual Account Dividend	24
85 Residual Account Dividend	18
TOTAL RESIDUAL INVESTMENT INCOME	\$ 90

4. ESCROW DEBT SERVICE

Estimate is based on actual payment activity provided by the Servicers.
Payment includes principal and interest.

83 Escrow Account (Rolling Woods Loan Repayments. See Note 7)	\$ 20,033
84 Escrow Account	0
85 Escrow Account	250
TOTAL DEBT SERVICE INCOME (Rounded)	\$ 20,283

5. ANNUAL FEES

Rolling Woods Annual Fee	\$ 1,125
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6. SWISSVALE SCHOOL HOUSE PROGRAM INCOME

The 1 remaining condo was sold in 2022 for \$115,700	\$ -
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7 . OTHER INCOME		<u>\$ 4,918</u>
<p>Other Income consists of repayments of housing grants. The Rolling Woods interest portion of their loan repayments for 2023. Was supposed to receive balloon payment of \$356,967.26 in 2023 but they refinanced in February 2022</p>		
8 . ADMINISTRATIVE CONTRACT - ACED		<u>\$ 300,000</u>
<p>Projection assumes the administrative contract between the RFA and the Allegheny County Department of Economic Development will remain at \$300,000 in 2023.</p>		
9 . SINGLE FAMILY PROGRAM		<u>\$ 0</u>
<p>The RFA's Capital Interest Contribution to a new First Time Homebuyer Bond. Projection assumes there will be no contribution to a new First Time Homebuyer Bond in 2023.</p>		
10 . MORTGAGE LOAN SERVICING		
Loans @\$2.75 per loan per month		
	<u>Number of Loans</u>	
83 Escrow Account	0	\$ -
84 Escrow Account	0	0
85 Escrow Account	1	33
TOTAL MORTGAGE LOAN SERVICING	<u>1</u>	<u>\$ 33</u>
11 . CASH MANAGEMENT FEE		<u>\$ 150</u>
The cash management fee is a 2 basis point fee charged by the trustee each month.		
12 . SINGLE FAMILY PROGRAM - PROFESSIONALS		
84 Residual Account		
Legal		\$ 10,000
Caine Mitter		50,000
Reinvestment Fund (marketing analysis)		60,000
Bank of NY (Remarketing and administrative fees)		10,000
TOTAL SINGLE FAMILY PROGRAM - PROFESSIONALS		<u>\$ 130,000</u>
2022 Costs consist of:		
Caine Mitter	\$28,500	
Reinvestment Funds	\$10,500	
BNY Mell Admin Fees	\$7,653.20	
Total	<u>\$46,653.20</u>	
13 . NEW PROJECTS		<u>\$ 0</u>
No new projects anticipated in 2023.		
14 . BAD DEBT EXPENSE		<u>\$ 10,000.00</u>
The RFA assumes there will be a limited number of write-offs in 2023.		
15 . MISCELLANEOUS		<u>\$ 200.00</u>
Allowance for other miscellaneous fees and charges.		

**RESIDENTIAL FINANCE AUTHORITY
 ANTICIPATED AMORTIZATION ANNUAL FEE SCHEDULE
 2023 ADOPTED BUDGET**

ISSUE	Project	TERM OF ISSUE	ORIGINAL ISSUE AMOUNT	2023 ANNUAL FEE
SINGLE FAMILY				
2017 Series BBB (Bi-Annual)	9%	12/1/2047	4,510,000.00	<u>3,239.64</u>
TOTAL SINGLE FAMILY*				<u><u>\$3,239.64</u></u>
MULTI-FAMILY				
2007 Series B Allegheny Independence Housing		1/20/2043	5,096,700.00	344.00
2013 Series Rolling Woods		7/1/2053	4,500,000.00	<u>1,125.00</u>
TOTAL MULTI-FAMILY				<u>\$1,469.00</u>
TOTAL				<u><u>\$4,708.64</u></u>

*S.F. Bonds are estimates. Fees based off of the Ending Principal Balance from Caine Mitter Financial Statements (EPB x.001/2)

**ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY
LOW INTEREST LOANS
2023 ADOPTED PROGRAM BUDGET**

	2022 Adopted Budget	2022 Projected Revenue/Costs	2023 Adopted Budget	Increase/ (Decrease)	Notes
Beginning Program Reserve	\$ 933,006	\$ 935,774	\$ 947,290	\$ 14,284	1
<u>REVENUES</u>					
Community Development Block Grant	\$ 5,605	\$ 5,605	\$ 5,605	\$ 0	2
Department of Community Affairs	6,275	6,275	6,275	0	3
Interest Income	92	135	26,050	25,958	4
Other Income	500	0	500	0	5
TOTAL REVENUES	\$ 12,472	\$ 12,015	\$ 38,430	\$ 25,958	
<u>EXPENSES</u>					
Office Supplies	\$ 500	\$ 0	\$ 500	\$ 0	6
Miscellaneous	500	500	500	0	7
TOTAL EXPENSES	\$ 1,000	\$ 500	\$ 1,000	\$ 0	
Excess (Deficit) Revenues Over Expenses	\$ 11,472	\$ 11,516	\$ 37,430	\$ 25,958	
Ending Program Reserve	\$ 944,478	\$ 947,290	\$ 984,720	\$ 40,242	

**ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY
LOW INTEREST LOANS
2023 ADOPTED PROGRAM BUDGET**

1 . <u>BEGINNING PROGRAM RESERVE</u>	
2022 Projected Beginning Program Reserve	935,774
Projected 2022 Excess	11,516
2023 Projected Beginning Program Reserve	<u>\$ 947,290</u>
2 . <u>COMMUNITY DEVELOPMENT BLOCK GRANTS</u>	<u>\$ 5,605</u>
See Schedule A (Rounded)	
3 . <u>DEPARTMENT OF COMMUNITY AFFAIRS</u>	<u>\$ 6,275</u>
See Schedule A (Rounded)	
4 . <u>INTEREST INCOME</u>	
2023 projected interest income was calculated by multiplying the projected 2023 Beginning Program Reserve by 2.75 % interest.	
2023 Beginning Program Reserve	\$ 947,290
Percentage rate	2.75%
2023 Projected Interest (rounded)	<u>\$ 26,050</u>
5 . <u>OTHER INCOME</u>	<u>\$ 500</u>
Projection assumes various undetermined revenues that may be received throughout the year.	
6 . <u>OFFICE SUPPLIES</u>	<u>\$ 500</u>
Allowance for the purchase of coupon books for projects submitting payments.	
7 . <u>MISCELLANEOUS</u>	<u>\$ 500</u>
Allowance for postage and bank service charges.	

**ALLEGHENY COUNTY RESIDENTIAL FINANCE AUTHORITY
HOUSING DEVELOPMENT FUND - LOW INTEREST LOANS
MONTHLY MORTGAGE RECEIPTS
SCHEDULE A**

	ESCROW (per month)	CDBG (per month)	DCA (per month)	TOTAL PAYMENT
SHADY PARK	<u>0.00</u>	\$ 467.08	\$ 522.92	\$ 990.00
TOTAL PER MONTH (months per year)	<u>\$ 0.00</u> 12	<u>\$ 467.08</u> 12	<u>\$ 522.92</u> 12	<u>\$ 990.00</u> 12
TOTAL PER YEAR		<u>\$ 5,604.96</u>	<u>\$ 6,275.04</u>	<u>\$ 11,880.00</u>

