

OPTION 2 - 5% Rent Increase, Financial Assistance Program

Financial Assistance Program	% of units	% CPI Increase	Yr 1 Adj Incr	Yr 2-10 Adj Incr					
Extremely Low Income	10%	25%	1.25%	1.25%					
Very Low Income	12%	50%	2.50%	2.50%					
Low Income	8%	75%	3.75%	3.75%					
SUM	30%								
<u>Monthly Rent Calculations</u>			Budgeted Yr 1 2023-2024	Projected Yr 2 2024-25	Projected Yr 3 2025-26	Projected Yr 4 2026-27	Projected Yr 5 2027-28		
Space Rent Increase %			5.00%	5.00%	5.00%	5.00%	5.00%		
Increase \$/m M or Above			\$42	\$45	\$47	\$49	\$52		
Increase \$/m EL			\$11	\$11	\$11	\$11	\$11		
Increase \$/m VL			\$21	\$22	\$22	\$23	\$23		
Increase \$/m L			\$32	\$33	\$34	\$36	\$37		
Total Financial Assistance			\$19,760	\$40,914	\$63,542	\$87,728	\$113,560		
OPTION 2	BUDGETED	ACTUALS	BUDGETED	Projected	Projected	Projected	Projected	Projected	
	2022-2023	2022-2023	Yr 1 2023-2024	Yr 2 2024-25	Yr 3 2025-26	Yr 4 2026-27	Yr 5 2027-28		
Total Operating Income	2,788,358	2,882,814	3,002,021	3,116,096	3,235,662	3,361,002	3,492,418		
Total Operating Expenses	1,035,890	969,328	1,164,021	1,196,614	1,230,119	1,264,562	1,299,970		
Operating Expense Ratio (Op Exp/Op Inc)		0	39%	38%	38%	38%	37%		
NET OPERATING INCOME	1,752,468	1,913,486	1,838,000	1,919,483	2,005,543	2,096,440	2,192,448		
Debt Service	726,069	726,069	731,019	730,869	730,669	730,419	735,119		
Debt Svc Expense Ratio (DS/Op Inc)	26%	25%	24%	23%	23%	22%	21%		
DSCR (NOI/DS)	241%	264%	251%	263%	274%	287%	298%		
Net Income after DS	1,026,399	1,187,417	1,106,981	1,188,614	1,274,874	1,366,021	1,457,329		
City Administration	1,003,500	1,115,000	1,146,220	1,178,314	1,211,307	1,245,224	1,280,090		
City Maintenance	120,000	120,000	123,360	126,814	130,365	134,015	137,768		
Total City Expenses	1,123,500	1,235,000	1,269,580	1,305,128	1,341,672	1,379,239	1,417,857		
City Expense Ratio (City Exp/Op Inc)	70%	43%	42%	42%	41%	41%	41%		
NET INCOME AFTER CITY EXPENSES	-97,101	-47,583	-162,599	-116,514	-66,797	-13,217	39,472		
Total Income to Total Exp Ratio	103%	102%	105%	104%	102%	100%	99%		
Transfer In from Reserves	97,101	47,583	162,599	116,514	66,797	13,217	0		
NET INCOME AFTER RESERVE TRANSFER	0	0	0	0	0	0	39,472		
Transfer to Reserves	0	0	0	0	0	0	39,472		
Housing Authority Reserve	1,400,000	1,400,000	1,400,000	1,237,401	1,120,886	1,054,089	1,040,872		
HA Reserve Transfer to Operations	-97,101	-47,583	-162,599	-116,514	-66,797	-13,217	0		
Housing Authority Ending Balance	1,302,899	1,352,417	1,237,401	1,120,886	1,054,089	1,040,872	1,040,872		
Bond Reserve Fund	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000		
Bond Reserve Transfer to Operations	0	0	0	0	0	0	0		
Bond Reserve Ending Balance	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000		
Total Reserves Beginning Balance	2,900,000	2,900,000	2,900,000	2,437,401	2,020,886	1,654,089	1,565,872		
Transfers (In/Out)	0	0	-162,599	-116,514	-66,797	-13,217	39,472		
Capital Improvement Projects	0	0	-300,000	-300,000	-300,000	-75,000	-77,100		
Reserves Ending Balance	2,900,000	2,900,000	2,437,401	2,020,886	1,654,089	1,565,872	1,528,244		