

*providing  
responsive  
stewardship  
creating  
effective*



2008 Annual Report

# *Mission*

Broward County Housing Authority is dedicated to creating, providing, and increasing high quality housing opportunities to Broward County residents through effective and responsive management and responsible stewardship of public and private funds.

# *a message from*



The year 2008 was one of great success for the Broward County Housing Authority. We responded to the needs of our community by creating exciting new housing opportunities through our Development Department. We were able to complete construction of two beautiful affordable housing communities - Tallman Pines, a family community and Highland Gardens II, a retirement community for seniors, both in Deerfield Beach. Since 2007, four hundred and ninety families have found new, full amenity homes through our efforts.

Our Asset Management and Assisted Housing Departments both achieved the highest performance designation from the U.S. Department of Housing and Urban Development again this year. They have continued providing high quality housing options to nearly 7,000 families county-wide through their effective management. Our Housing Counseling Program also was called upon to be responsive to changes in the economy and the local housing market by stepping in to assist several hundred families to avoid foreclosure.

Unfortunately, the year contained some uncertainty for us as it did for our entire country. Realizing that challenges will be faced in the coming months and the availability of some affordable housing resources may become more limited, we still remain optimistic about our future. We believe that through the responsible stewardship of public and private funds we will continue to move ahead.

We look forward to 2009 with the same energy and optimism as in the past. Our mission remains unchanged – to create, provide and increase high quality housing opportunities for Broward residents.

Kevin Cregan, CEO

# our ceo & chair

On behalf of the Board of Commissioners, I want to recognize and thank all of those who made 2008 a very successful year for the Broward County Housing Authority.

Our CEO Kevin Cregan has provided exceptional leadership and put together a team that is second to none. Under his guidance, the highly skilled staff has used creativity and drive to create a significant number of new housing opportunities for Broward County residents. All have worked tirelessly to make our agency a leader in the provision of housing. Consistently high program performance designations by HUD and perennially clean audits are also the hallmarks of a staff that exemplifies professionalism - and this one does.

My thanks are extended to our Board of Commissioners, a group with whom I am proud to serve. Our Commissioners bring a wealth of business and life experience and a clear vision of how the Authority can address the needs of our community. They are unselfish with their time and provide the kind of educated oversight that has made the agency a local leader in affordable housing.

As we add more properties to our inventory with new financial twists, our Audit Committee has been a great resource to both the staff and our Board. The past year also saw creation of the Real Property Investment Committee, a group formed to advise the Board on the nuances of redevelopment, acquisitions, financing, and construction. The volunteers on both committees will be instrumental in future successes in expanding the affordable housing stock.



*Sharon Day*  
Sharon Day, Chair

## Board of Commissioners



**Sharon Day**  
*Chair*



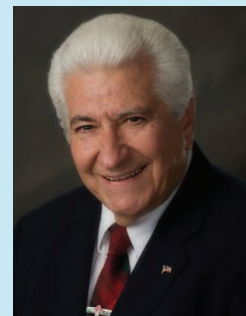
**Mercedes J. Núñez**  
*Vice Chair*



**John E. Aurelius**



**Joseph M. Cobo**



**Juan Selaya**

Broward County Housing Authority has five commissioners appointed by the Governor to serve four year terms. They are dedicated volunteers who serve without pay or compensation. Board members are recognized leaders in the community and use their broad experience and knowledge to formulate policies within the federal, state, and local laws. They have final responsibility for approving budgets, exercising control over facilities and properties, controlling the use of funds generated by the Authority, and appointing members to the Audit Committee. Beginning in 2008 they also have responsibility for appointing members to the Real Property Investment Committee.

The Board of Commissioners is fully committed to creating, providing and increasing high quality housing opportunities to Broward County residents. They are acutely aware of the housing needs of our community and tirelessly advocate at every opportunity, on behalf of Broward County Housing

Authority and those we serve. During visits with elected officials on the local, state, and national level our board can be counted on to spread the message that stable housing is critical to the vitality and prosperity of the community.

Our commissioners have strongly supported the BCHA affordable housing plan. While entering into new public private partnerships has presented challenges, the Board of Commissioners has remained steadfast. They and the Broward community have been rewarded by seeing three new developments completed and by having several more projects in the pipeline.

Through their dedication and commitment to the Broward County Housing Authority mission, the Board of Commissioners has done more than talk about the need for high quality housing – they have helped create it.

# dedicated

## The Audit Committee

The Audit Committee, established in 2000, is composed of volunteers appointed by the Board of Commissioners. The five member committee reviews and gives the Board their recommendations regarding the quarterly financial report and financial statements. Members also review the annual operating budget, the draft of the annual audit, and make recommendations to the Board concerning selection of an audit firm.

**Aurelio Fernandez (Chair)**

*Administrator, Memorial Hospital Miramar*

**William A. Webb, C.P.A., (Vice Chair)**

*William A. Webb & Associates, LLC*

**Julie Baird, C.P.A.**

*Moore Stephens Lovelace, P.A.*

**C.A. Messana**

*Owner/Operator, C.A. & Company Catering*

**James Welzien, C.P.A.**

*Welzien & Company, CPA's P.A.*

## The Real Property Investment Committee

The Real Property Investment Committee was formed in April 2008 by the Board of Commissioners to offer advice on real estate transactions proposed by staff. These board appointed volunteers bring a range of business, banking, legal and real estate expertise to the committee. They may offer guidance on proposed acquisitions, redevelopment of existing properties, partnerships with developers, or other potential affordable housing development projects.

**J. Gary Rogers (Chair)**

*Executive Director  
Community Redevelopment  
City of Lauderdale Lakes*

**Susan Delegal (Vice Chair)**

*Attorney  
Billing, Cochran, Heath, Lyles, Mauro &  
Ramsey, P.A.*

**Frank Gundlach**

*Real Estate Broker  
Century 21 Rose Realty West*

**Bradley M. Hubert**

*President  
Hubert & West, Inc., Realtors and Mortgage  
Bankers*

**John Keating**

*Owner  
State Realty, Inc.*

**Jim McKinley**

*Owner/President  
McKinley Financial Services, Inc.*

**Ed Rowland**

*Vice President  
DWV Investments, Inc.*

**Terry Smith**

*Owner/Director of Mortgage Services  
Family Lending Group  
Owner/Director of Operations  
Prosway Building Group*

**Maritza Velez**

*Vice President  
Private Banking Division  
City National Bank of Florida*

**Suzanne Vordermeier-Waterhouse**

*Vice President  
Vordermeier Management Company*

# creating

## Building Communities

BCHA believes by creating affordable housing we contribute to the overall viability of the local community. Using expert financial engineering we have crafted a rent structure that recognizes and supports the other life needs of our residents. It allows families and seniors to live in stable, well maintained housing, with state of the art amenities while still being able to afford the other pieces which are so necessary for true quality of life – such as day care, health care, education and transportation.

This year we made 300 new affordable apartments available to income eligible Broward County residents. Through our leadership, solid commitment to the community and skillful collaborations the Broward County Housing Authority has set the standard in creating housing that balances affordability and liveability needs.

*Stable housing can fairly be described as the cornerstone to a healthy community. We are deliberate in the audience we serve, and proudly create first class affordable housing to accommodate income ranges from working families to senior citizens. What could be more mission driven?*

Parnell Joyce  
VP Development



*The formation of effective partnerships and alliances combined with sound and comprehensive investment strategies has resulted in BCHA's creation of quality affordable housing.*

J. Gary Rogers  
Chair, Real Property Investment Committee

# providing



*We take a lot of pride in ensuring we treat every assisted family with respect and dignity. I sometimes wonder about what our residents would do without this housing opportunity.*

Beth Kinsey  
VP Asset Management

## Changing Lives

For the past forty years BCHA has been providing Broward County residents with help in meeting their housing needs. Currently, BCHA provides housing and housing assistance to nearly 7,000 Broward County families. These families all have incomes below 80 percent of the area median income and more than 50 percent of them have incomes below 30 percent of the area median. Most of the families are employed or live on a fixed income. While the local housing stock affordable to the lowest income residents continues to shrink, we focus on meeting the housing needs of that very group. Without some form of housing assistance many low income and special needs families could not continue to live on their own.

Providing affordable housing is our prime responsibility but we also encourage self sufficiency. Through programs like Family Self Sufficiency we foster work and job training opportunities, giving participating families the skills and experience to earn a living wage and realize their potential.

*Our programs provide rental assistance in quality housing to thousands of disabled individuals, senior citizens and families and our partnerships demonstrate our commitment to building a strong community. We involve the private sector in providing more affordable housing options to Broward County residents.*

Gay Georgevich  
VP Assisted Housing

## Meeting Challenges

BCHA handles the challenge of maintaining effective management of both information and resources. As an agency with a very public mission, BCHA is evaluated by HUD, governmental entities, the community, and non-profit and for profit organizations. Our goal is clear: effectively create and provide housing opportunities, maximize the availability and use of housing resources and at all times keep the public informed.

Recent recognition as a “Pioneer in Housing” and our inclusion as a National “Best Practice” Affordable Housing award recipient exemplify our effectiveness over time. But that’s just the beginning. Every day our administrators and direct service staff exhibit the traits of effective management – they get the job done and done well. Repeated designation of our Asset Management and Housing Choice Voucher Programs as HUD “high performers” show just how effective BCHA management really is.

*We offer the critical piece of the puzzle that can become the basis for a positive life outcome. Hiring qualified staff and insuring BCHA’s interests further support our mission of effective management.*

Barbara Miller  
VP Human Resources/Risk Management

# effective

*The Information Technology Department effectively manages information: both internal and external. Keeping the public informed about housing opportunities, our procedures and current news is one of the key ways that we remain responsive to the needs of the community*

Lynn Hutchinson  
VP Information Technology



# responsive



*It is our job to identify the need within the community and focus our resources on addressing the issues. We take this responsibility very seriously, recognizing that our services benefit Broward County families and communities, while at the same time impacting the local economy.*

Ann Deibert  
Chief Operating Officer

## Addressing Needs

Being responsive to community needs is what Broward County Housing Authority is all about. Each employee realizes the importance of our mission and takes responsibility for helping meet it. With a record of excellence in delivering service to our customers, we have set the bar high.

While recent economic conditions and events in the housing market have significantly impacted our community, the need for our assistance has been elevated even higher. BCHA has adjusted to the changing situation with speed and flexibility. When our Housing Counseling Department faced an increasing demand for foreclosure prevention services, where until quite recently much of their time was spent counseling first time homebuyers, we were ready to respond. Shifting focus from purchasing homes to saving homes quickly became our new priority.

*BCHA has multiple important responsibilities to our community and to all of the people served. As General Counsel we bring committed dedication to our role in helping the Authority fulfill its mission*

Sam Goren  
Goren, Cherof, Doody & Ezrol, P.A.

# stewardship

## Maintaining Trust

Entrusted with funds from federal, state, county, and private sources the Broward County Housing Authority plays an important role in the social and economic structure of the community. The funds we manage and the programs we administer may be viewed as investment in the sustainability and quality of life in this community. The more than \$60 million in rental assistance payments paid to local landlords on behalf of Broward County residents help resolve the shortage of affordable housing. It also assists families to reside in safe, decent housing and strengthens their sense of belonging and ties to each other in their community.

Presented with a more complex range of financial responsibilities over the last few years, BCHA has stayed true to form. We have handled the new tasks with the same degree of competence and accountability as in the past. Under the guidance of our experienced staff, and with the oversight of our highly qualified Audit Committee, we have once again received a clean audit with no findings. We point with pride to our position as a community asset.

*We are proud of our ability to carefully and responsibly manage public and private funds. Although the expansion of affordable housing has given us added responsibilities, we continue to provide excellent service to the families receiving housing assistance, our landlords, and our vendors. We know that we are truly guardians of the public trust.*

Steven A. Cortese  
Chief Financial Officer

*Providing an independent perspective on how funds are used for purposes of meeting the organization's mission, the Audit Committee offers accounting oversight and evaluates compliance and internal controls to better respond to the dynamics of the local affordable housing market.*

Aurelio Fernandez  
Chair, Audit Committee

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2008 AND 2007**

	2008	2007
<b>Revenues</b>		
Rental income and other	\$2,219,218	\$3,054,635
Developer fees	1,717,741	-
Management fees	2,133,640	-
<b>Non Operating Revenues</b>		
Interest earnings	579,879	1,069,247
Capital grants	1,040,619	1,054,020
Federal grants and subsidies	70,193,766	62,335,548
Gain on disposition of fixed assets	912,415	-
<b>Total Revenues</b>	<b>78,797,278</b>	<b>67,513,450</b>
<b>Expenses</b>		
Administration	9,452,237	8,044,130
Tenant services	339,537	20,613
Utilities	383,354	478,252
Maintenance and operations	1,523,031	1,402,839
Housing assistance payments	63,595,388	57,756,498
Depreciation	1,617,442	1,644,501
Loss on disposition of fixed assets	-	4,028
<b>Total Expenses</b>	<b>76,910,989</b>	<b>69,350,862</b>
<b>Increase/(Decrease) in Net Assets (See Note 2)</b>	<b>\$1,886,289</b>	<b>\$(1,837,412)</b>

*Note 1: Totals may not add due to rounding.*

*Note 2: Fiscal Year 2007 shows a decrease in net assets due to an additional \$2,044,338 disbursed as Housing Assistance Payments from a reserve accumulated from excess Operating Revenues in previous years.*

**STATEMENTS OF NET ASSETS**  
**SEPTEMBER 30, 2008 AND 2007**

	2008	2007
Current assets	\$23,232,607	\$20,246,559
Restricted assets	386,919	464,084
Capital assets, net of depreciation	25,355,892	26,596,518
<b>Total Assets</b>	<b>48,975,418</b>	<b>47,307,161</b>
Current liabilities	1,296,598	1,516,801
Non-current liabilities payable from restricted assets	386,919	464,084
Long-term liabilities	808,344	767,990
<b>Total Liabilities</b>	<b>2,491,861</b>	<b>2,748,875</b>
Net assets invested in capital assets, net of related depreciation	5,355,892	26,596,520
Unrestricted assets	21,127,665	17,961,766
Prior period net asset adjustment	-	38,982
<b>Total Net Assets</b>	<b>\$46,483,557</b>	<b>\$44,597,268</b>

*Note 1: Totals may not add due to rounding.*

# 2008 working toward our mission

*dedicated* - US Department of Housing & Urban Development (HUD) designated BCHA as “high performer” for both our public housing and housing choice voucher programs. This highest designation awarded by HUD to housing authorities was achieved for demonstrating outstanding organizational management and the ability to meet exacting performance standards.

*creating* - Opened two new affordable housing properties, Tallman Pines and Highland Gardens II, adding a total of 200 family apartment homes and 100 senior apartments to our portfolio.

*providing* - Nine families graduated from the Family Self Sufficiency Program in 2008 and were provided with assistance to help them achieve their goals. Five families realized the dream of purchasing their own homes.

*effective* - Recruited nearly 1,500 new landlords to the Housing Choice Voucher Program through our outreach with gosection8.com, helping us maintain the availability of quality housing for program participants.

*responsive* - Assisted more than 700 families by offering mortgage counseling and foreclosure prevention services, first time homebuyer individual and group sessions and counseling for Home Equity Conversion mortgages to local residents through the Comprehensive Housing Counseling Program.

*stewardship* - Paid out more than \$60 million in housing assistance payments to 4,000 landlords on behalf of 6,000 Broward County families while also managing public housing and affordable housing properties, running multiple special housing and counseling programs and again receiving a financial audit with no findings.



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