



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Steve R. Lapierre  
Executive Director  
Van Buren Housing Authority  
130 Champlain Street  
Van Buren, ME 04785

Dear Mr. Lapierre:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME001000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$526,268. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$526,268. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$286,893
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$286,893
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$526,268
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$526,268

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Wayne Troicke  
Executive Director  
Fort Fairfield Housing Authority  
18 Fields Lane  
Fort Fairfield, ME 04742

Dear Mr. Troicke:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME002000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$293,816. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$293,816. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	(\$159,912)
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	(\$159,912)
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$293,816
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$293,816

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Mark Adelson  
Executive Director  
Portland Housing Authority  
14 Baxter Boulevard  
Portland, ME 04101

Dear Mr. Adelson:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME003000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$1,197,318. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$1,197,318. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

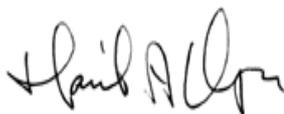
<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,355,087
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,355,087
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$1,197,318
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$1,197,318

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Mark Adelson  
Executive Director  
Portland Housing Authority  
14 Baxter Boulevard  
Portland, ME 04101

Dear Mr. Adelson:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME003000002**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$1,097,347. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$1,097,347. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,355,087
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,355,087
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$1,097,347
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$1,097,347

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Mark Adelson  
Executive Director  
Portland Housing Authority  
14 Baxter Boulevard  
Portland, ME 04101

Dear Mr. Adelson:

SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME003000003

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$593,499. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$593,499. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,355,087
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,355,087
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$593,499
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$593,499

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Mark Adelson  
Executive Director  
Portland Housing Authority  
14 Baxter Boulevard  
Portland, ME 04101

Dear Mr. Adelson:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME003000004**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$1,629,631. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$1,629,631. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,355,087
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,355,087
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$1,629,631
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$1,629,631

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Brad Bragg  
Executive Director (Acting)  
Presque Isle Housing Authority  
58 Birch Street  
Presque Isle, ME 04769

Dear Mr. Bragg:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME004000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$753,509. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$683,219. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$870,533
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$870,533
4	PHA Allocation Adjustment	\$70,290
5	Project Eligibility	\$753,509
6	Project Allocation Adjustment (if any)	\$70,290
7	Project Funding Level after Allocation Adjustment and before Proration	\$683,219

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. James Dowling  
Executive Director  
Lewiston Housing Authority  
1 College Street  
Lewiston, ME 04240

Dear Mr. Dowling:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME005000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$252,297. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$183,427. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,683,466
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,683,466
4	PHA Allocation Adjustment	\$379,571
5	Project Eligibility	\$252,297
6	Project Allocation Adjustment (if any)	\$68,870
7	Project Funding Level after Allocation Adjustment and before Proration	\$183,427

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. James Dowling  
Executive Director  
Lewiston Housing Authority  
1 College Street  
Lewiston, ME 04240

Dear Mr. Dowling:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME005000002**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$294,397. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$214,035. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,683,466
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,683,466
4	PHA Allocation Adjustment	\$379,571
5	Project Eligibility	\$294,397
6	Project Allocation Adjustment (if any)	\$80,362
7	Project Funding Level after Allocation Adjustment and before Proration	\$214,035

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. James Dowling  
Executive Director  
Lewiston Housing Authority  
1 College Street  
Lewiston, ME 04240

Dear Mr. Dowling:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME005000003**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$843,819. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$613,480. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,683,466
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,683,466
4	PHA Allocation Adjustment	\$379,571
5	Project Eligibility	\$843,819
6	Project Allocation Adjustment (if any)	\$230,339
7	Project Funding Level after Allocation Adjustment and before Proration	\$613,480

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. John A. Hodge  
Executive Director  
Brunswick Housing Authority  
PO Box A  
12 Stone Street  
Brunswick, ME 04011

Dear Mr. Hodge:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME006000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$666,266. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$666,266. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$252,794
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$252,794
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$666,266
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$666,266

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/am/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/am/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Richard S. Whiting  
Executive Director  
Auburn Housing Authority  
P O Box 3037  
Auburn, ME 04212

Dear Mr. Whiting:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME007000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$651,393. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$383,529. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

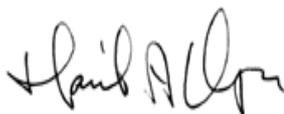
<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,149,679
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,149,679
4	PHA Allocation Adjustment	\$267,864
5	Project Eligibility	\$651,393
6	Project Allocation Adjustment (if any)	\$267,864
7	Project Funding Level after Allocation Adjustment and before Proration	\$383,529

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mrs. Diane Townsend  
Executive Director  
Waterville Housing Authority  
88 Silver St.  
Waterville, ME 04901

Dear Mrs. Townsend:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME008000088**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$832,213. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$674,138. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,041,105
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,041,105
4	PHA Allocation Adjustment	\$158,075
5	Project Eligibility	\$832,213
6	Project Allocation Adjustment (if any)	\$158,075
7	Project Funding Level after Allocation Adjustment and before Proration	\$674,138

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000  
OFFICE OF PUBLIC AND INDIAN HOUSING  
March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Michael Myatt  
Executive Director  
Housing Authority City Of Bangor  
161 Davis Road  
Bangor, ME 04401

Dear Mr. Myatt:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME009000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$2,450,196. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$788,261. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$5,117,913
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$5,117,913
4	PHA Allocation Adjustment	\$1,758,557
5	Project Eligibility	\$2,450,196
6	Project Allocation Adjustment (if any)	\$1,661,935
7	Project Funding Level after Allocation Adjustment and before Proration	\$788,261

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000  
OFFICE OF PUBLIC AND INDIAN HOUSING  
March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Michael Myatt  
Executive Director  
Housing Authority City Of Bangor  
161 Davis Road  
Bangor, ME 04401

Dear Mr. Myatt:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME009000004**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$142,451. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$45,828. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$5,117,913
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$5,117,913
4	PHA Allocation Adjustment	\$1,758,557
5	Project Eligibility	\$142,451
6	Project Allocation Adjustment (if any)	\$96,623
7	Project Funding Level after Allocation Adjustment and before Proration	\$45,828

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. William G. Keefer  
Executive Director  
Sanford Housing Authority  
P O Box 1008  
Sanford, ME 04073

Dear Mr. Keefer:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME011000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$509,930. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$509,930. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$414,886
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$414,886
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$509,930
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$509,930

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. John Gallaher  
Executive Director  
Westbrook Housing Authority  
30 Liza Harmon Drive  
Westbrook, ME 04092

Dear Mr. Gallaher:

SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME015010203

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$176,239. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$156,112. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$277,156
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$277,156
4	PHA Allocation Adjustment	\$20,127
5	Project Eligibility	\$176,239
6	Project Allocation Adjustment (if any)	\$20,127
7	Project Funding Level after Allocation Adjustment and before Proration	\$156,112

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mrs. Laurie Miller  
Executive Director  
Old Town Housing Authority  
PO Box 404  
Old Town, ME 04468

Dear Mrs. Miller:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME018000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$304,686. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$304,686. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$292,923
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$292,923
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$304,686
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$304,686

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Ms. Joanne Marco  
Executive Director  
Bath Housing Authority  
80 Congress Avenue  
Bath, ME 04530

Dear Ms. Marco:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME019000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$217,606. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$212,797. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$316,358
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$316,358
4	PHA Allocation Adjustment	\$4,809
5	Project Eligibility	\$217,606
6	Project Allocation Adjustment (if any)	\$4,809
7	Project Funding Level after Allocation Adjustment and before Proration	\$212,797

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Michael G. Hulseley  
Executive Director  
South Portland Housing Authority  
51 Landry Circle  
South Portland, ME 04106

Dear Mr. Hulseley:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME020000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$468,756. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$378,551. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,055,101
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,055,101
4	PHA Allocation Adjustment	\$161,692
5	Project Eligibility	\$468,756
6	Project Allocation Adjustment (if any)	\$90,205
7	Project Funding Level after Allocation Adjustment and before Proration	\$378,551

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Michael G. Hulseley  
Executive Director  
South Portland Housing Authority  
51 Landry Circle  
South Portland, ME 04106

Dear Mr. Hulseley:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME020000002**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$371,487. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$300,000. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$1,055,101
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$1,055,101
4	PHA Allocation Adjustment	\$161,692
5	Project Eligibility	\$371,487
6	Project Allocation Adjustment (if any)	\$71,487
7	Project Funding Level after Allocation Adjustment and before Proration	\$300,000

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Gordon Stitham  
Executive Director  
Brewer Housing Authority  
15 Colonial Circle Suite 1  
Brewer, ME 04412

Dear Mr. Stitham:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME021000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$655,691. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$655,691. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$432,698
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$432,698
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$655,691
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$655,691

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Terrance Kelley  
Executive Director  
Southwest Harbor Housing Authority  
PO Box 28  
Bar Harbor, ME 04609

Dear Mr. Kelley:

SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME022000001

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$133,064. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$106,602. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$209,362
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$209,362
4	PHA Allocation Adjustment	\$26,462
5	Project Eligibility	\$133,064
6	Project Allocation Adjustment (if any)	\$26,462
7	Project Funding Level after Allocation Adjustment and before Proration	\$106,602

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Terrance Kelley  
Executive Director  
Bar Harbor Housing Authority  
PO Box 28  
Bar Harbor, ME 04609

Dear Mr. Kelley:

SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME023000001

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$320,422. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$255,731. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$478,590
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$478,590
4	PHA Allocation Adjustment	\$64,691
5	Project Eligibility	\$320,422
6	Project Allocation Adjustment (if any)	\$64,691
7	Project Funding Level after Allocation Adjustment and before Proration	\$255,731

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Terrance Kelley  
Executive Director  
Mount Desert Housing Authority  
PO Box 28  
Bar Harbor, ME 04609

Dear Mr. Kelley:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME024000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$39,588. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$39,588. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$81,372
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$81,372
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$39,588
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$39,588

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Terrance Kelley  
Executive Director  
Tremont Housing Authority  
PO Box 28  
Bar Harbor, ME 04609

Dear Mr. Kelley:

SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME026000001

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$73,678. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$73,678. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$83,884
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$83,884
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$73,678
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$73,678

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

March 2, 2012

OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

Mr. Terrance J. Kelley  
Executive Director  
Ellsworth Housing Authority  
PO Box 28  
Bar Harbor, ME 04609

Dear Mr. Kelley:

**SUBJECT: Eligibility for Calendar Year 2012, Public Housing Operating Fund Program,  
Project No. ME027000001**

This letter provides information related to your Public Housing Agency's (PHA) Calendar Year 2012 Operating Fund program eligibility and Allocation Adjustment. After HUD's review of your PHA's HUD-52723, "Operating Fund Calculation of Operating Subsidy," this project's eligibility has been determined to be \$103,977. Please note that the eligibility for this project is subject to modification for revisions permitted in Notice PIH 2011-55, Public Housing Operating Subsidy Calculations for Calendar Year 2012. Final HUD-52723s will be posted on the Calendar Year 2012 Subsidy website at the end of the federal fiscal year. The project funding amount is \$103,977. The project funding amount takes into account the Allocation Adjustment for each PHA. The methodology used to determine this amount is provided in a schedule in greater detail below.

As background, the FY 2012 Appropriations Act included a provision that directed HUD to offset up to \$750 million from PHAs operating reserves (i.e., Operating Fund allocation adjustments). To determine an individual PHA's allocation adjustment, HUD identified the amount of reserves above a minimum reserve level (equivalent to six months of expenses for a small PHA, four months for all other PHAs, but in no event less than \$100,000). Next, each PHA's allocation adjustment was calculated. Where a PHA's allocation adjustment exceeded their Operating Subsidy eligibility, their allocation adjustment was capped to 12 months of their eligibility.

The Department afforded PHAs the opportunity to appeal the allocation adjustment determined by HUD (the exclusion request process described in PIH Notice 2011-55). Allocation adjustment appeals went through a rigorous review process within the Department. Significant HUD resources were dedicated to the review of all appeals, to ensure a fair and equitable process, and to further ensure that HUD could provide PHAs their eligibility amounts earlier this year than ever before. HUD's efforts in this regard were focused on providing timely eligibility information to assist PHAs in forecasting and budgeting to better enable PHAs to manage in an austere fiscal environment.

Table 1 below lists elements in the structure of the 2012 Calendar Year allocations with respect to the PHA and project eligibility and the Allocation Adjustment.

<b>Table 1. CY 2012 Project Eligibility and Allocation Adjustment</b>		
1	Calculated Reserve Balance	\$120,537
2	Approved PHA Exclusion Request (Appeal)	\$0
3	Revised Reserve Balance	\$120,537
4	PHA Allocation Adjustment	\$0
5	Project Eligibility	\$103,977
6	Project Allocation Adjustment (if any)	\$0
7	Project Funding Level after Allocation Adjustment and before Proration	\$103,977

Additional information is available at the PH Financial Management Division website under the topic, "Allocation Adjustment." Below is the URL link:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/a/m/of/opfnd2012/allocationadjustment)

PHAs may also contact their HUD Field Offices regarding the eligibility calculations and their Allocation Adjustments. It is important to note that the FY 2012 HUD Appropriations statute permitted HUD to set aside up to \$20 million from the Operating Fund appropriation to provide assistance to PHAs that encounter financial hardship as a direct result of the operating reserve offset. The process for applying for this funding, as well as the qualification criteria, will be published shortly by HUD.

Sincerely,



David A. Vargas, MSA CPA  
Deputy Assistant Secretary,  
Real Estate Assessment Center