

Request for Action
by
Board of Commissioners

Approval of Fiscal Year (FY) 2025 Operating Budget

A. Summary of Action

This Request for Action (RFA) is for approval of the proposed FY 2025 Operating Budget including projected revenue and expenses for the upcoming year.

B. Discussion

The operating budget reflects forecasts incorporating current and expected economic and market conditions. Despite some market challenges, the budget demonstrates the corporation's continued financial strength and commitment to housing with net revenue over expenditures (Net Income) projected at \$10.9 million. This is an increase from the FY 2024 budget of \$9.4 million.

We expect continued execution of homeownership programs, though a reduction from our FY 2024 projected results which were bolstered by the State Downpayment Assistance Grant funded through the American Rescue Plan Act (ARPA). We will continue to use the most effective financing strategies such as tax-exempt, taxable, and variable rate bonding and selling in the TBA market if appropriate.

For multifamily rental development, we anticipate continued increased activity due to new housing development programs created by the State from ARPA funds as well as other federal programs that we administer.

Operating expenses reflect an increase relating to property maintenance including interior painting and carpeting, landlord incentives for the Housing Choice Voucher Program and IT security costs. Personnel expenses also include an increase in medical expenses and merit increase for staff.

In addition, capital expenditures are anticipated including updated HVAC equipment, new furnace replacements in the Earle Building and a partial roof replacement in the Slade/Garr Building.

Attached hereto as Attachment A is a detailed presentation of the FY 2025 operating budget.

C. Recommendation

The attached resolution pertaining to the approval of the FY 2025 operating budget is recommended for adoption.

D. Attachments

- A. FY 2025 Operating Budget Presentation
- B. Resolution

Attachment A

FY 2025 Budget Presentation

(attached)

Attachment B

Resolution of the Board of Commissioners of Rhode Island Housing and Mortgage Finance Corporation

- Whereas,** Pursuant to the provisions of the Rhode Island Housing and Mortgage Finance Corporation Act, Chapter 55 of Title 42 of the Rhode Island General Laws, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has the authority to adopt an annual budget and disburse funds; and
- Whereas,** the Management Committee of the Board of Commissioners (the “Committee”) provided the opportunity for staff to present and discuss the proposed FY 2025 operating budget; and
- Whereas,** staff recommends that the proposed FY 2025 operating budget be presented to the Board of Commissioners for approval and adoption.

NOW, THEREFORE, IT IS HEREBY:

- Resolved,** that the proposed FY 2025 Operating Budget of RIHousing as presented to the Committee and as set forth at Attachment A is hereby approved; and
- Resolved,** that the Executive Director, the Deputy Executive Director, and the Chief Financial Officer, each acting singly, be and hereby are authorized, empowered, and directed to take any and all actions they shall deem necessary or advisable to carry out the foregoing resolution.