



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lieutenant Governor ♦ Jennifer D. Maddox, Undersecretary

To: All Local Housing Authority (LHA) Executive Directors & Fee Accountants
From: Laura Taylor, Director, Bureau of Housing Management
Date: January 22, 2021
RE: **PHN 2020-30 Addendum #2: Budget Revision Details**

On January 11, 2021 [DHCD notified LHAs](#) that the 4% cut to the FY21 Allowable Non-Utility Expense Level (ANUEL), as announced in the FY21 Budget Guidelines issued September 17, 2019, was reversed. The FY21 ANUEL will now be the same as FY20. DHCD is issuing this guidance in response to questions about how to recognize this increased funding in already-submitted budgets. Based on the status of your FY21 Budget submission, you must do one of the following:

1. If your FY21 Budget **has been approved by DHCD**, you will need to submit a revised budget (Budget Revision) to include the additional 4% ANUEL and to modify your budgeted expenses accordingly, if necessary. DHCD cannot alter **approved** Budgets. You may choose to do this now or later, but please keep in mind that a budget revision must be submitted to DHCD no later than the 1st day of the 11th month of an LHA's current fiscal year.
2. If your FY21 Budget **is with DHCD awaiting approval** DHCD will increase the ANUEL by 4%, and review the budget for approval. The LHA will not need to take any immediate action. An LHA may submit a budget revision at any time after approval, but no later than the 1st day of the 11th month of the fiscal year, to budget for expenses up to this increased revenue amount and to reflect other changes made throughout the fiscal year.
3. If **you have not submitted your budget**, please see [FY 21 Budget Guidelines](#) and Addendum, and submit your budget by the deadlines therein. This budget should use the updated ANUEL level.
 1. Immediately for fiscal year ends 6/30/21-12/31/21
 2. BY February 28th for fiscal year end 3/31/22

Please email Ayo Yakubu-Owolewa at Ayo.Yakubu-Owolewa@mass.gov with any questions.