

OPERATING FUND CALCULATION OF FORMULA AND DELTA
FOR REQUESTED BUDGET YEAR
FY 2004

- A. On all forms and worksheets, refer to the applicable dates below each time Current or Requested Year appears.
1. Current Year - Agency fiscal year ending:
 - December 31, 2003,
 - March 31, 2004,
 - June 30, 2004, or
 - September 30, 2004.
 2. Requested Year - Agency fiscal year ending:
 - December 31, 2004,
 - March 31, 2005,
 - June 30, 2005, or
 - September 30, 2005.
- B. Formula Expense Level equation multipliers and equation calibration constant. Enter these numbers on form HUD-52720-B.

OPERATING FACTOR	MULTIPLIER
Number of pre-1940 rental units occupied by poor households as a percentage of the population of the community.	7.954
Local government wage rate index.	116.496
Number of two or more bedroom units or 15,000 whichever is less.	.002896
Ratio of three or more bedroom units to total dwelling units.	22.303
Ratio of two or more bedroom units in high rise family projects to total dwelling units.	37.294
Equation calibration constant.	-.2344

FORMULA EXPENSE LEVEL INCREASE WORKSHEET FOR FY 2004
Fiscal Years Beginning 1/1/04, 4/1/04, 7/1/04, and 10/1/04

Follow these seven steps to complete an entry on Line 4, Part VI of Form HUD-52720-B.

Complete current year, requested year, or both, in accordance with the instructions on the Form.

	CURRENT YR	REQUESTED YR
1. Enter amount from Line 3, Part VI of HUD-52720-B	_____	_____
2. Enter FY 89 Increase Factor from table below	X _____	X _____
3. Multiply Line 1 by Line 2	= _____	= _____
4. FY 89 Insurance Increase	+ <u>8.45</u>	+ <u>8.45</u>
5. Add Line 3 and Line 4	= _____	= _____
6. Enter FY 90-03 Increase Factor (table next page)	X _____	X _____
7. Multiply Line 5 by Line 6. FORMULA EXPENSE LEVEL	= _____	= _____

FY 89 INCREASE FOR LINE 2 ABOVE

NOTE: These Increase Factors include Inflation and Delta increases.

STATE	METRO	NON-METRO	STATE	METRO	NON-METRO
Alabama	1.04520	1.04419	Montana	1.04922	1.04822
Arizona	1.05022	1.04721	Nebraska	1.05324	1.05123
Arkansas	1.04620	1.04520	Nevada	1.05223	1.05324
California	1.05625	1.05425	New Hampshire	1.06731	1.06731
Colorado	1.05022	1.04721	New Jersey	1.06429	NA
Connecticut	1.06832	1.06630	New Mexico	1.05123	1.04822
Delaware	1.06530	1.06530	New York	1.05927	1.05726
D.C.	1.04822	NA	North Carolina	1.05927	1.05726
Florida	1.05927	1.05826	North Dakota	1.04219	1.04419
Georgia	1.05826	1.05726	Ohio	1.05123	1.05123
Hawaii	1.05123	1.05022	Oklahoma	1.03816	1.03716
Idaho	1.04721	1.04620	Oregon	1.04922	1.04822
Illinois	1.04822	1.04721	Pennsylvania	1.06028	1.05927
Indiana	1.05425	1.05525	Rhode Island	1.06530	1.06630
Iowa	1.05022	1.05022	South Carolina	1.05625	1.05625
Kansas	1.04721	1.04721	South Dakota	1.04922	1.05022
Kentucky	1.05726	1.05726	Tennessee	1.05525	1.05425
Louisiana	1.04319	1.04219	Texas	1.04419	1.04219
Maine	1.06229	1.06128	Utah	1.03816	1.03716
Maryland	1.06128	1.06128	Vermont	1.06028	1.05927
Massachusetts	1.05625	1.05425	Virginia	1.05726	1.05726
Michigan	1.04419	1.04419	Washington	1.04319	1.04017
Minnesota	1.04922	1.04721	West Virginia	1.04620	1.04822
Mississippi	1.04822	1.04721	Wisconsin	1.05324	1.05324
Missouri	1.05525	1.05425	Wyoming	1.04419	1.04319

FORMULA EXPENSE LEVEL INCREASE WORKSHEET FOR FY 2004
(continued)

FY 90 - 03 INCREASE FOR LINE 6 ABOVE

NOTE: These Increase Factors include Inflation and Delta increases.

STATE	METRO	NON-METRO	STATE	METRO	NON-METRO
Alabama	1.70391	1.71952	Montana	1.55834	1.53060
Arizona	1.62775	1.52673	Nebraska	1.64345	1.67711
Arkansas	1.64771	1.61491	Nevada	1.67513	1.72021
California	1.69992	1.61769	New Hampshire	1.82382	1.77172
Colorado	1.57473	1.60474	New Jersey	1.86515	NA
Connecticut	1.83461	1.83343	New Mexico	1.61740	1.55167
Delaware	1.76092	1.75037	New York	1.74194	1.75335
D.C.	1.73981	NA	North Carolina	1.75837	1.74124
Florida	1.70228	1.70245	North Dakota	1.55258	1.52521
Georgia	1.73204	1.69918	Ohio	1.72637	1.69257
Hawaii	1.74889	1.77195	Oklahoma	1.58852	1.56282
Idaho	1.64962	1.67885	Oregon	1.67358	1.65648
Illinois	1.75051	1.66167	Pennsylvania	1.73151	1.74167
Indiana	1.68469	1.69321	Rhode Island	1.81149	1.74921
Iowa	1.67897	1.66717	South Carolina	1.75307	1.69732
Kansas	1.63058	1.51342	South Dakota	1.67530	1.61310
Kentucky	1.60960	1.61823	Tennessee	1.66597	1.70052
Louisiana	1.61105	1.60712	Texas	1.61083	1.58475
Maine	1.73787	1.69989	Utah	1.57196	1.58338
Maryland	1.69909	1.74126	Vermont	1.64374	1.71679
Massachusetts	1.74941	1.77487	Virginia	1.69393	1.63969
Michigan	1.66775	1.64342	Washington	1.66199	1.63492
Minnesota	1.63209	1.61822	West Virginia	1.55781	1.62123
Mississippi	1.71527	1.70211	Wisconsin	1.64700	1.71885
Missouri	1.62197	1.65659	Wyoming	1.47398	1.46316