

AGENDA

BOARD OF COMMISSIONERS HOUSING AUTHORITY OF THE COUNTY OF MERCED

Regular Meeting
Tuesday, July 17, 2018
5:30 p.m.

Closed session immediately following

Housing Authority of the County of Merced
Administration Building
405 "U" Street
Board Room – Building B (Second Floor)
Merced, CA 95341
(209) 386-4139

Margaret Pia, Chairperson
Jack Jackson, Vice-Chair
Evelyn Dorsey
Rick Osorio
Jose Resendez
Rachel Torres

All persons requesting disability related modifications or accommodations may contact the Housing Authority of the County of Merced at (209) 386-4139, 72 hours prior to the public meeting.

All supporting documentation is available for public review in the office of the Administrative Assistant located in the Housing Authority Administration Building, Second Floor, 405 "U" Street, Merced, CA 95341 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday.

The Agenda is available online at www.merced-pha.com

Use of cell phones, pagers, and other communication devices is prohibited while the Board Meeting is in session. Please turn all devices off or place on silent alert and leave the room to use.

I. CALL TO ORDER AND ROLL

II. COMMISSIONER and/or AGENCY ADDITIONS/DELETIONS TO THE AGENDA

(M/S/C): ____/____/____

III. APPROVAL OF THE FOLLOWING MEETING MINUTES:

A. June 19, 2018 Regular Meeting (M/S/C): ____/____/____

IV. PUBLIC HEARING: PUBLIC HOUSING AGENCY ANNUAL PLAN



V. UNSCHEDULED ORAL COMMUNICATION

NOTICE TO THE PUBLIC

This portion of the meeting is set aside for members of the public to comment on any item within the jurisdiction of the Commission, but not appearing on the agenda. Items presented under public comment may not be discussed or acted upon by the Commission at this time.

For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Commission. Any person addressing the Commission under Public Comment will be limited to a 5-minute presentation.

All persons addressing the Commission are requested to state their name and address for the record.

VI. CONSENT CALENDAR:

- A. Rent Delinquency Report for June 2018
- B. Track Summary Report for June 2018
- C. Financial Reports for June 2018

(M/S/C): ____/____/____

VII. BUSINESS (INFORMATION AND DISCUSSION, RESOLUTION and ACTION ITEMS):

A. Information/Discussion Item(s):

- 1.) Director's Updates
 - i. Fiscal Year 2018-2019 Budget Review
 - ii. Wolf Hansen – Bond Review
 - iii. Housing Round Table – Congressman Costa

B. Resolution Item(s):

- 1.) **Resolution No. 2018-16:** Approving the PHA Annual Plan FY 2018 for submission to HUD.

(M/S/C): ____/____/____

- 2.) **Resolution No. 2018-17:** Approving the revisions to the Public Housing Admissions and Continued Occupancy Policy (ACOP).

(M/S/C): ____/____/____

- 3.) **Resolution No. 2018-18:** Approving the revisions to the Housing Choice Voucher Administrative Plan.

(M/S/C): ____/____/____

- 4.) **Resolution No. 2018-19:** Approving the Housing Authority of the County of Merced revised Communications Policy.

(M/S/C): ____/____/____



5.) **Resolution No. 2018-20:** Approving the Housing Authority of the County of Merced Debt Management and Continuing Disclosure Policy.

(M/S/C): ____/____/____

C. Action Item(s):

None

VIII. COMMISSIONER'S COMMENTS

IX. CLOSED SESSION ITEM(S):

None

X. ADJOURNMENT



MINUTES

BOARD OF COMMISSIONERS HOUSING AUTHORITY OF THE COUNTY OF MERCED

Regular Meeting
Tuesday, June 19, 2018

- I. The meeting was called to order by Chairperson Pia at 5:30 p.m. and the Secretary was instructed to call the roll.

Commissioners Present:

Margaret Pia, Chairperson
Jack Jackson, Vice Chairperson
Evelyne Dorsey
Rick Osorio
Jose Resendez

Commissioners Absent:

Rachel Torres

Chairperson Pia declared there was a quorum present.

Staff Present:

Rosa Vazquez, Executive Director/Board Secretary
Dave Ritchie, Legal Counsel
Brian Watkins, Finance Officer
Blanca Arrate, Director of Housing Programs
Gina Thexton, Director of Housing Programs
Sue Speer, Director of Development & Asset Management
Alan Boyington, Maintenance Manager
Maria F. Alvarado, Executive Assistant

Others Present:

Rashawna Johnson, Human Services Agency
Joselyn Sedano, Human Services Agency

- II. **COMMISSIONER and/or AGENCY ADDITIONS/DELETIONS TO THE AGENDA:**

None

(M/S/C): Commissioner Resendez/Commissioner Jackson/passed unanimously

- III. **APPROVAL OF THE FOLLOWING MEETING MINUTES:**

A. January 16, 2018 Quarterly Meeting

Revise minutes to read Chairperson Pia in Section I.

(M/S/C): Commissioner Pia/Commissioner Resendez/passed unanimously



IV. UNSCHEDULED ORAL COMMUNICATION:

None

V. CONSENT CALENDAR:

A. PHAS Report for April & May 2018

B. Aged Receivables Report for April & May 2018

C. Financial Reports for April & May 2018

(M/S/C): Commissioner Resendez/Commissioner Jackson/passed unanimously

VI. BUSINESS (INFORMATION AND DISCUSSION, RESOLUTION and ACTION ITEMS):

A. Information/discussion Item(s):

1.) Directors Updates:

- a. Executive Director Vazquez introduced Ms. Rashawna Johnson, from the Human Services Agency/Chairperson to the Coordinated Entry System (CES) the Board. Ms. Johnson provided the Board a brief description of the purpose and goals of the CES program. Ms. Johnson also provided data on the clients housed, in the search process, and referral stage of the program.
- b. Executive Director Vazquez informed the Board that the Authority had completed the Annual Plan and provided them a summary of changes.
- c. Executive Director Vazquez notified the Board that she as well and Director Thexton attended the roundtable hosted by Congressman Costa, in which the topic of discussion was homeownership.
- d. All Migrant Centers are open and with the exception of Planada Migrant, are fully leased.

B. Resolutions Item(s):

- 1.) **Resolution No. 2018-13:** Approving the Housing Authority of Merced revised Operating Budget for Fiscal Year 2017 – 2018.

(M/S/C): Commissioner Jackson/Commissioner Resendez/passed

- 2.) **Resolution No. 2018-14:** Approving the Executive Director to enter into an amended purchase and sale agreement with Enrique Perez Calderon for 1489 Vine Circle, Atwater CA accepting the \$165,417.00 indebtedness as satisfied in full, and authorizing the reconveyance of the property and recordation thereof.

(M/S/C): Commissioner Osorio/Commissioner Dorsey/passed



3.) **Resolution No. 2018-15:** Approving the Housing Authority of Merced Lead Based Paint Policy.

(M/S/C): Commissioner Jackson/Commissioner Dorsey/passed

C. Action Item(s):

None

VII. COMMISSIONER’S COMMENTS

A. The Board congratulated Director Gina Thexton on her retirement

VIII. CLOSED SESSION ITEM(S):

The Board of Commissioners went into closed session at 6:25 p.m. The following people were present:

Board Members

Margaret Pia, Chair
Jack Jackson, Vice-Chair
Evelyne Dorsey
Rick Osorio
Jose Resendez

Others Present

Rosa Vazquez, Executive Director/Board Secretary
David Ritchie, Legal Counsel

A. Pursuant to Government Code §54957.6
Union Negotiations

The Board returned to Regular Session at 7:04 p.m. there was no reportable action.

IX. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 7:04 p.m.

Chairperson Signature / Date

Secretary Signature/ Date



PHAS Tracking Summary Fiscal Year Ending 09/30/18

Indicators	Estimated Status at End of Month												
Sub-Indicator #1	Performance Scoring	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Lease Up Days		0	0	0	32	21	21	21	21	21			
Average Lease Up Days		0	0	0	5	3	2	2	2	2			
Make Ready Time		26	26	111	661	784	883	883	1206	1206			
Average Make Ready Days		26	26	56	94	98	98	98	101	93			
Down Days		0	0	0	31	31	31	31	147	238			
Average Down Days		0	0	0	4	4	3	3	12	18			
Total # Vacant Units Turned		1	1	2	7	8	9	9	12	13			
Total # Turn Around Days		26	26	111	724	836	935	935	1374	1465			
Average Turn Around Days (To Date)	A = 0-20 B = 21-25 C = 26-30 D = 31-40 F = more than 50	26	26	56	103	105	104	104	115	113			

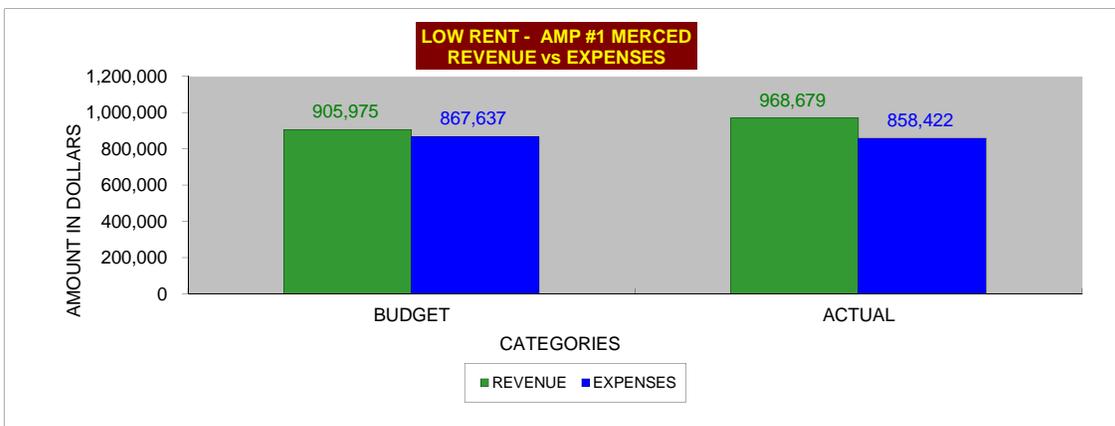
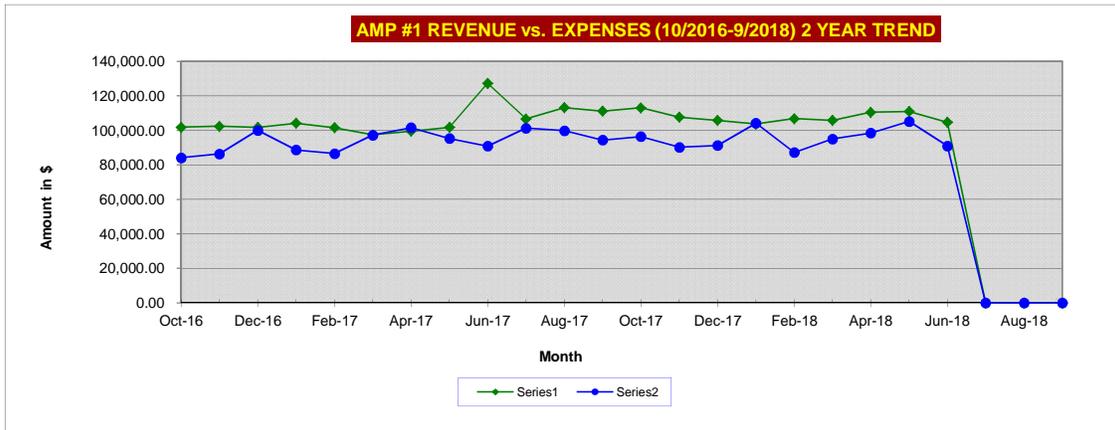
% Emergency Work Orders Abated W/in 24 hours	A = 99% B=98% C=97% D=96% E=95% F= less than 95%	100%	100%	100%	100%	100%	100%	100%	100%	100%			
Average # days to complete Non-Emergency Work Orders	A = 25 days or less3 B=26-36 C=31-40 D=41-50 E=51-60 F= greater than 60	29	22	21	21	27	25	25	24	24			

Aged Receivables as of 6/30/18

Property	Property Name	0-30 days	31-60 days	61-90 days	Over 90 days	Total Unpaid Charges	Prepays	Balance
AMP 1								
ca023001	PH - Merced	538.14	-	-	-	538.14	-	538.14
ca023010	PH - Merced	41.21	-	-	-	41.21	(3,309.20)	(3,267.99)
ca023013	PH - Merced Sr	625.97	-	-	-	625.97	(389.00)	236.97
AMP 1 TOTALS		1,205.32	-	-	-	1,205.32	(3,698.20)	(2,492.88)
AMP 2								
ca023006	PH - Livingston	1,944.83	346.10	375.00	(62.00)	2,603.93	(4,404.20)	(1,800.27)
012a	PH - Atwater	245.19	-	-	(697.01)	(451.82)	(839.66)	(1,291.48)
AMP 2 TOTALS		2,190.02	346.10	375.00	(759.01)	2,152.11	(5,243.86)	(3,091.75)
AMP 3								
ca023002	PH - Los Banos	154.16	-	-	-	154.16	(802.70)	(648.54)
ca023004	PH - Los Banos - Abby, B, C & D	191.21	-	-	-	191.21	(3,958.67)	(3,767.46)
ca023005	PH - Dos Palos - West Globe	508.62	373.00	379.00	42.94	1,303.56	-	1,303.56
ca023011	PH - Los Banos - J & K St	700.00	-	-	-	700.00	(211.95)	488.05
012c	PH - Dos Palos - Alleyne	1,805.92	817.00	203.00	-	2,825.92	(77.03)	2,748.89
012d	PH - Dos Palos - Globe	531.11	235.30	186.00	-	952.41	(573.90)	378.51
AMP 3 TOTALS		3,891.02	1,425.30	768.00	42.94	6,127.26	(5,624.25)	503.01
VALLEY VIEW								
atw	Atwater Elderly	304.00	-	-	-	304.00	(1,396.00)	(1,092.00)
dp	Dos Palos Elderly	508.00	-	(16.00)	-	492.00	(1,778.10)	(1,286.10)
mid	Midway	2,053.44	1,194.94	(222.00)	-	3,026.38	(6,442.93)	(3,416.55)
VALLEY VIEW TOTALS		2,865.44	1,194.94	(238.00)	-	3,822.38	(9,617.03)	(5,794.65)
FELIX TORREZ YEAR ROUND								
ft-yr	Felix Torres Year Round Center	29,123.00	1,795.00	-	-	30,918.00	(459.03)	30,458.97
FELIX TORREZ YEAR ROUND TOTALS		29,123.00	1,795.00	-	-	30,918.00	(459.03)	30,458.97
Total		39,274.80	4,761.34	905.00	(716.07)	44,225.07	(24,642.37)	19,582.70

01-Oct-17

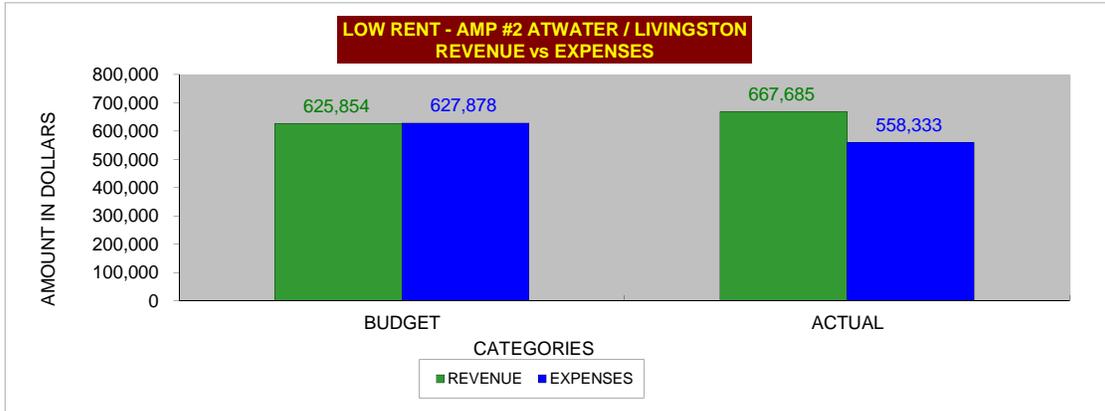
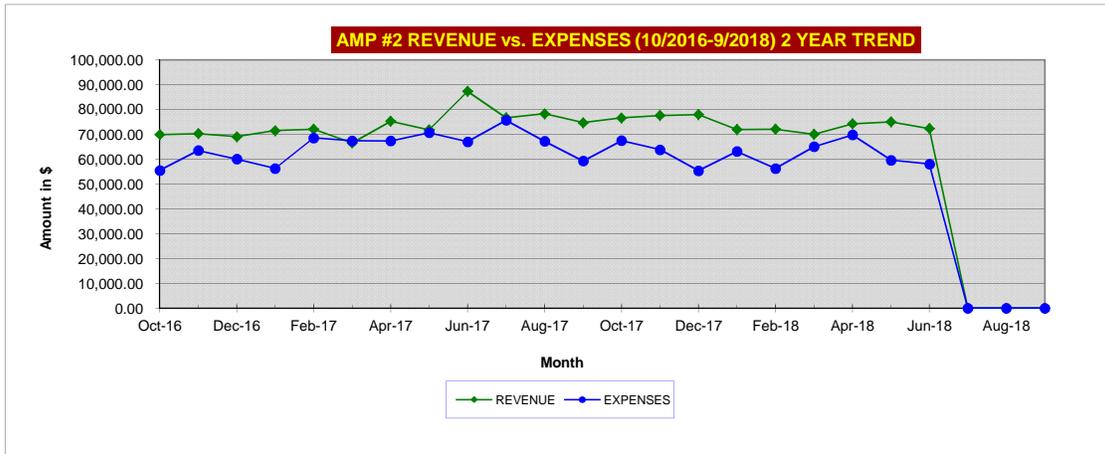
TO: 30-Jun-18



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	498,872	524,431	316.10	332.30
NON-DWELL. RENTS	0	0	0.00	0.00
OTHER INCOME	3,587	25,854	2.27	16.38
PFS SUBSIDY	403,516	418,394	255.68	265.11
	905,975	968,679	574.05	613.79
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	310,122	275,017	196.50	174.26
TENANT SERVICES	0	1,377	0.00	0.87
UTILITIES	136,642	138,735	86.58	87.91
MAINT.	230,744	271,042	146.21	171.74
GENERAL	95,078	77,895	60.24	49.36
DEPRECIATION	95,051	94,356	60.23	59.79
EQUITY TRANSFERS	0	0	0.00	0.00
	867,637	858,422	549.76	543.93
NET SURPLUS	38,338	110,257		
NET FROM OPERATIONS	38,338	110,257		
ENDING EQUITY BALANCE	2,370,499	2,298,580		
NET SURPLUS	38,338	110,257		
ADD BACK DEPRECIATION	95,051	94,356		
CASH FLOW	133,389	204,613		

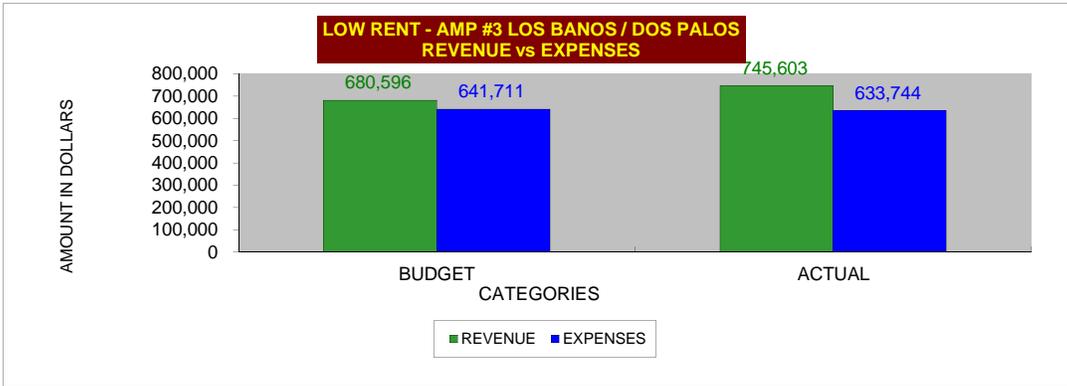
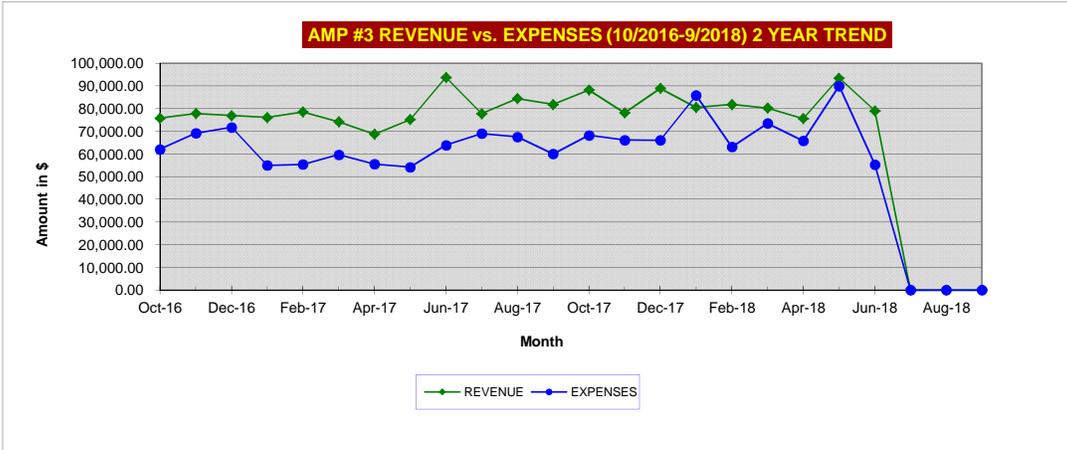
01-Oct-17

TO: 30-Jun-18



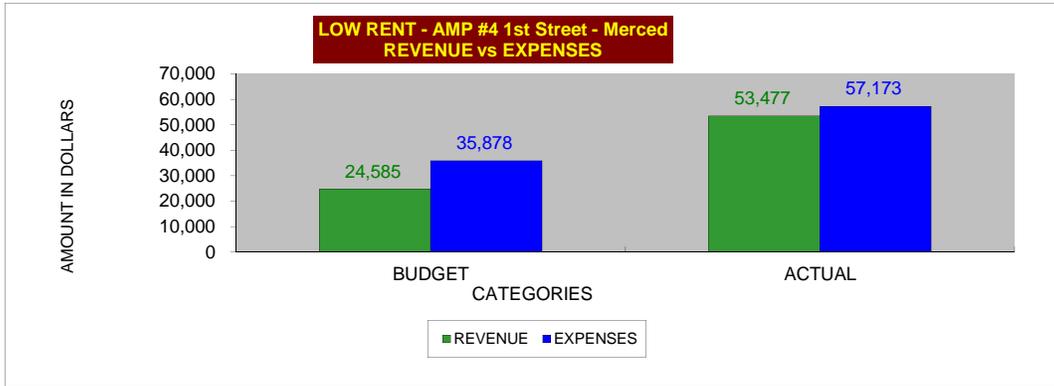
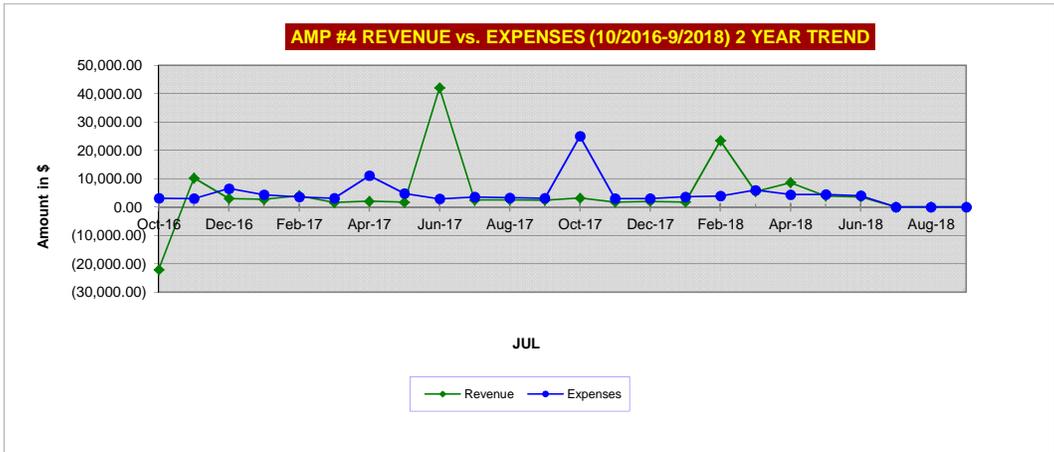
REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	407,910	434,951	388.80	414.58
INTEREST	0	0	0.00	0.00
OTHER INCOME	11,702	6,804	11.15	6.49
PFS SUBSIDY	206,242	225,930	196.58	215.35
	625,854	667,685	596.53	636.42
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	219,472	186,937	209.19	178.18
UTILITIES	128,008	121,825	122.01	116.12
MAINT.	154,080	135,384	146.86	129.04
GENERAL	73,188	61,037	69.76	58.18
DEPRECIATION	53,130	52,740	50.64	50.27
EQUITY TRANSFERS	0	0	0.00	0.00
	627,878	558,333	598.46	532.18
NET SURPLUS	(2,024)	109,353		
NET FROM OPERATIONS	(2,024)	109,353		
ENDING EQUITY BALANCE	1,830,112	1,718,736		
NET SURPLUS	(2,024)	109,353		
ADD BACK DEPRECIATION	53,130	52,740		
CASH FLOW	51,106	162,093		

01-Oct-17 TO: 30-Jun-18



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	369,484	432,753	337.74	395.58
INTEREST	0	0	0.00	0.00
OTHER INCOME	10,088	25,681	9.22	23.47
PFS SUBSIDY	301,025	287,169	275.17	262.50
	680,596	745,603	622.13	681.55
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	222,120	184,743	203.04	168.87
UTILITIES	112,929	102,142	103.23	93.37
MAINT.	194,743	246,173	178.01	225.03
GENERAL	68,262	56,802	62.40	51.92
DEPRECIATION	43,657	43,335	39.91	39.61
EQUITY TRANSFERS	0	0	0.00	0.00
	641,711	633,744	586.59	579.30
NET SURPLUS	38,885	111,859		
NET FROM OPERATIONS	38,885	111,859		
ENDING EQUITY BALANCE	1,738,241	1,665,267		
NET SURPLUS	38,885	111,859		
ADD BACK DEPRECIATION	43,657	43,335		
CASH FLOW	82,542	155,194		

01-Oct-17 TO: 30-Jun-18



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	13,451	6,570	250.00	122.11
OTHER INCOME	374	1,961	6.94	36.45
PFS SUBSIDY	10,760	23,196	200.00	431.14
CFP FUNDS	0	21,750	0.00	404.26
	24,585	53,477	456.94	993.96

EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	9,916	12,093	184.30	224.78
UTILITIES	4,737	4,430	88.04	82.33
MAINT.	7,431	27,645	138.12	513.83
GENERAL	3,482	2,771	64.72	51.51
DEPRECIATION	10,312	10,233	191.67	190.20
EQUITY TRANSFERS	0	0	0.00	0.00
	35,878	57,173	666.85	1,062.66

NET SURPLUS	(11,293)	(3,696)		
NET FROM OPERATIONS	(11,293)	(25,446)		

ENDING EQUITY BALANCE	864,672	857,074		
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NET SURPLUS	(11,293)	(3,696)		
ADD BACK DEPRECIATION	10,312	10,233		
CASH FLOW	(981)	6,537		

HOUSING AUTHORITY OF THE COUNTY OF MERCED

VOUCHER

REVENUE & EXPENDITURE STATUS REPORT

FISCAL YEAR PERIOD FROM: 10/01/17 TO: 9/30/2018

REPORT PERIOD FROM:

01-Oct-17

TO: 30-Jun-18

EXPEND. RATE: 74.7%

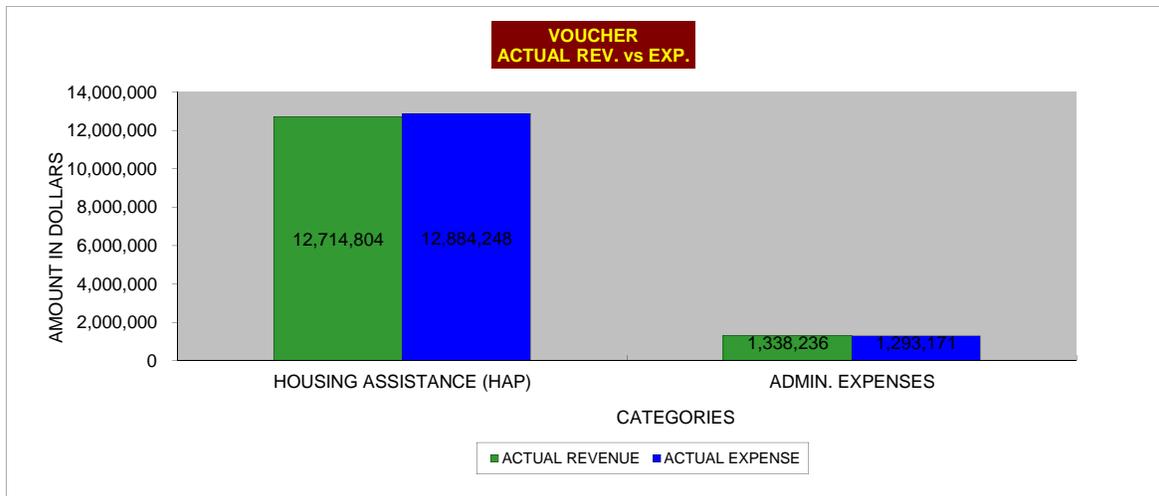
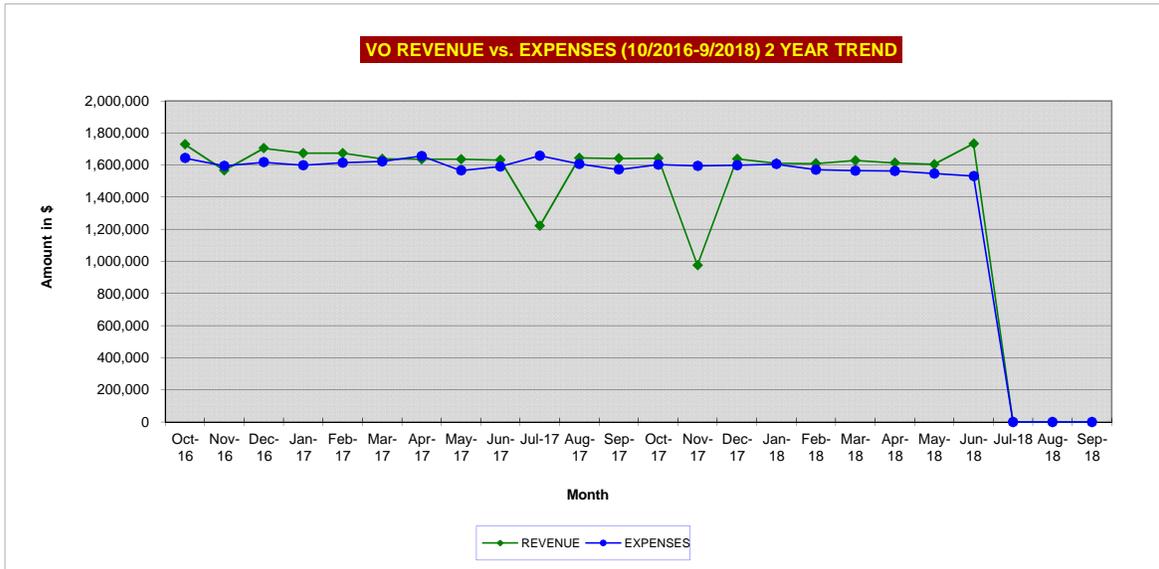
BUDGET # VOUCHER MONTHS: 33,492

YTD VOUCHERS

YTD %

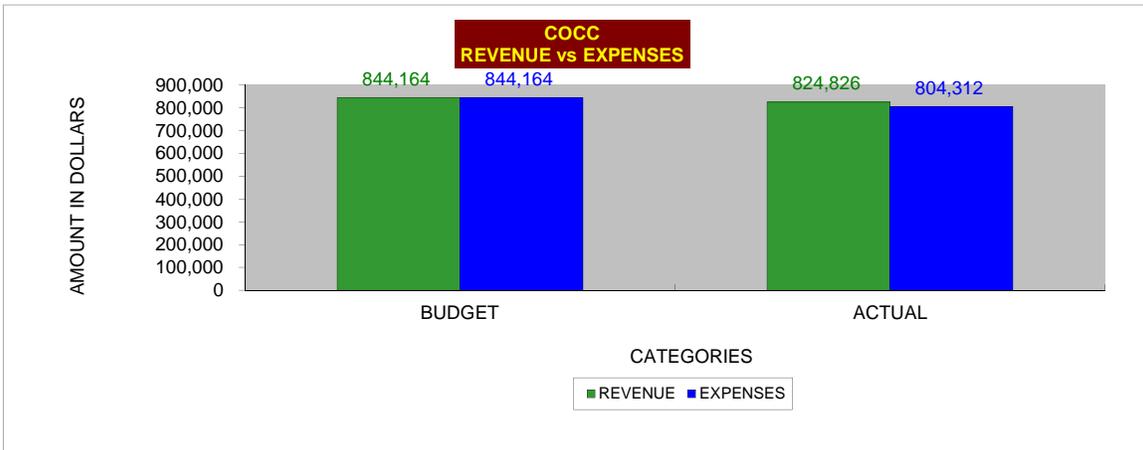
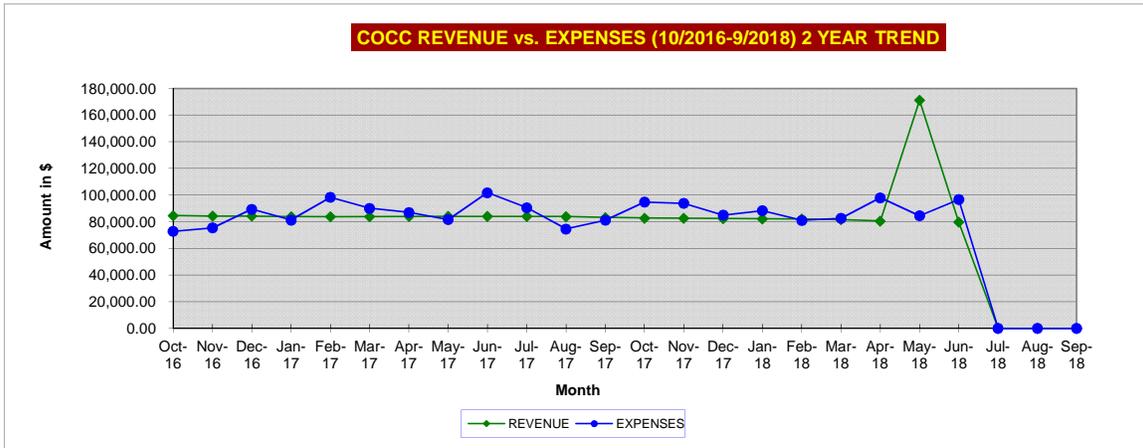
16,177

48.3%

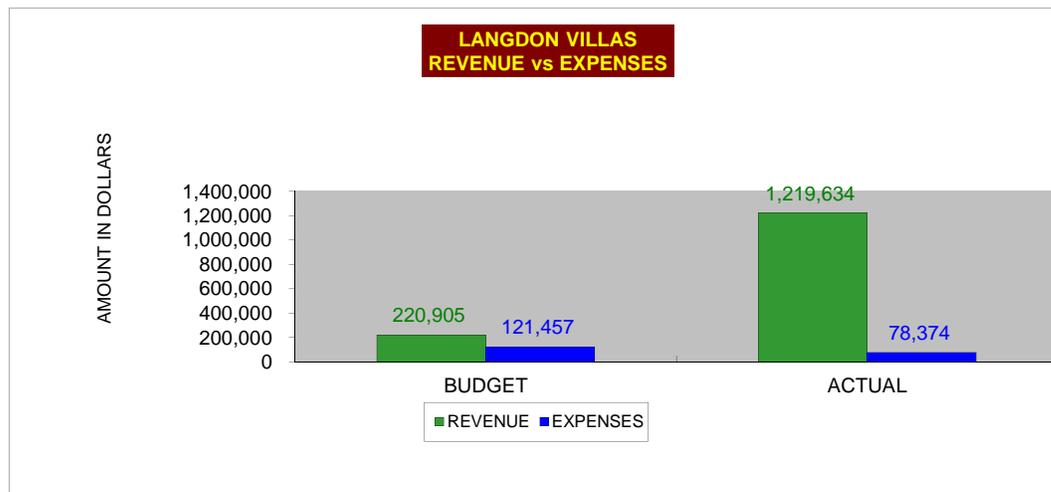
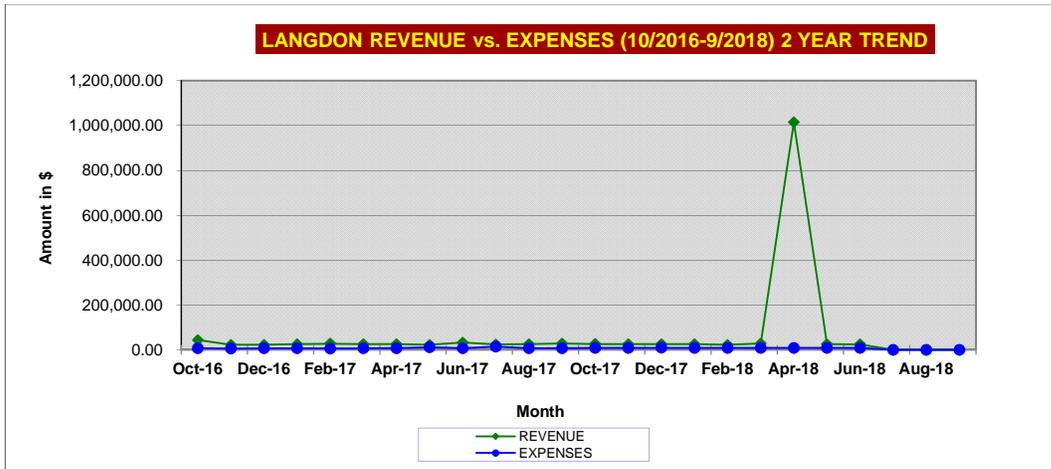


REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
HOUSING ASSISTANCE (HAP)	13,451,894	12,714,804	537.50	508.04
ADMIN. FEES	1,386,752	1,338,236	55.41	53.47
	14,838,646	14,053,041	592.91	561.51
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
HOUSING ASSISTANCE (HAP)	13,450,549	12,884,248	537.44	514.81
ADMIN. EXPENSES	1,271,987	1,293,171	50.82	51.67
	14,722,536	14,177,419	588.26	566.48
NET SURPLUS	116,110	(124,379)		
HAP SURPLUS YTD Change	1,345	(169,444)		
ADMIN SURPLUS YTD Change	114,765	45,065		
HAP SURPLUS BALANCE	150,637	(20,151)		
ADMIN SURPLUS BALANCE	99,217	29,517		

01-Oct-17 TO: 30-Jun-18



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
INTEREST	0	0	0.00	0.00
OTHER INCOME	0	91,392	0.00	41.60
MANAGEMENT FEES	754,374	733,434	343.38	333.85
ASSET MANAGEMENT FEES	37,482	0	17.06	0.00
CFP ADMIN FEES	52,308	0	23.81	0.00
	844,164	824,826	384.25	375.45
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	657,062	653,784	299.08	297.59
UTILITIES	30,712	24,694	13.98	11.24
MAINT.	57,105	54,436	25.99	24.78
GENERAL	99,285	70,891	45.19	32.27
	844,164	804,312	384.24	366.11
NET SURPLUS	0	20,514		
NET FROM OPERATIONS	0	20,514		
ENDING RESERVE BALANCE	(289,939)	(269,425)		
NET SURPLUS	0	20,514		
ADD BACK DEPRECIATION	0	0		
CASH FLOW	0	20,514		



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	34,523	34,650	3,849.99	3,864.15
INTEREST	0	0	0.00	0.00
MANAGEMENT FEES	166,206	165,381	18,535.23	18,443.22
OTHER INCOME	20,176	1,019,603	2,250.02	113,705.74
	220,905	1,219,634	24,635.24	136,013.11
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	50,833	31,910	5,668.88	3,558.54
UTILITIES	1,121	1,106	125.01	123.38
MAINT. & OPER.	3,733	973	416.30	108.51
GENERAL	65,770	44,385	7,334.64	4,949.80
	121,457	78,374	13,544.83	8,740.23
NET SURPLUS	99,448	1,141,260		
ENDING EQUITY BALANCE	9,916,593	10,958,405		

HOUSING AUTHORITY OF THE COUNTY OF MERCED

Langdon

ASSETS, LIABILITIES & FUND EQUITY

FISCAL YEAR PERIOD FROM: 10/01/17 TO: 9/30/2018

REPORT PERIOD FROM:

01-Oct-17

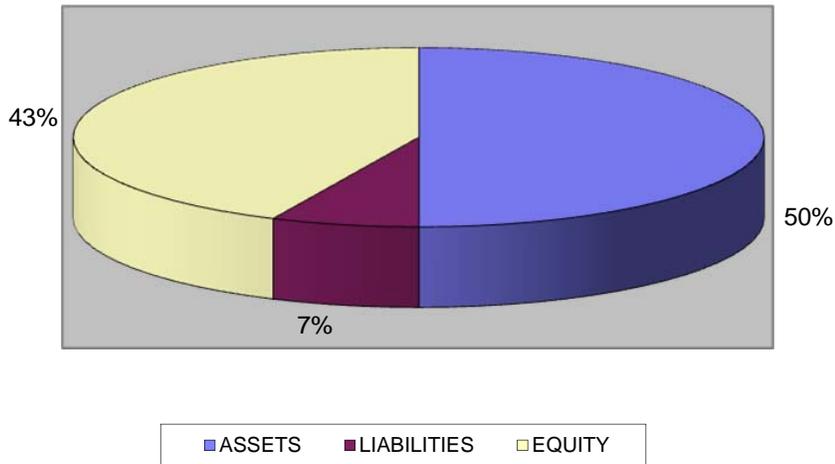
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30-Jun-18

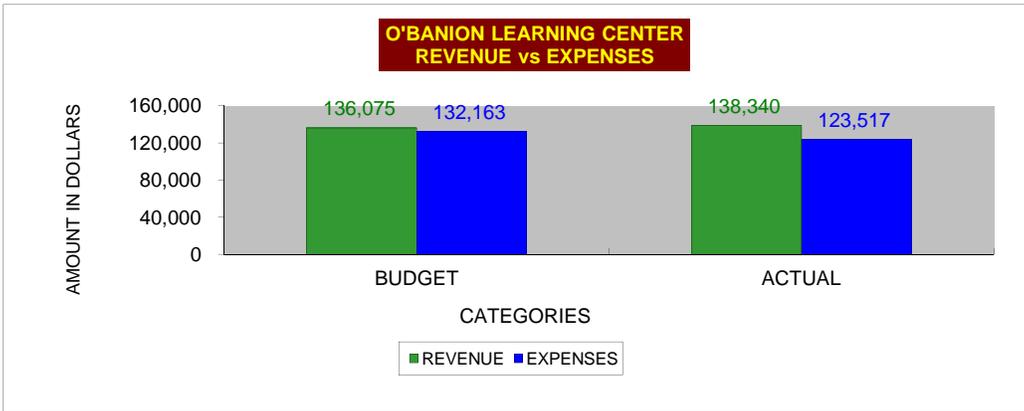
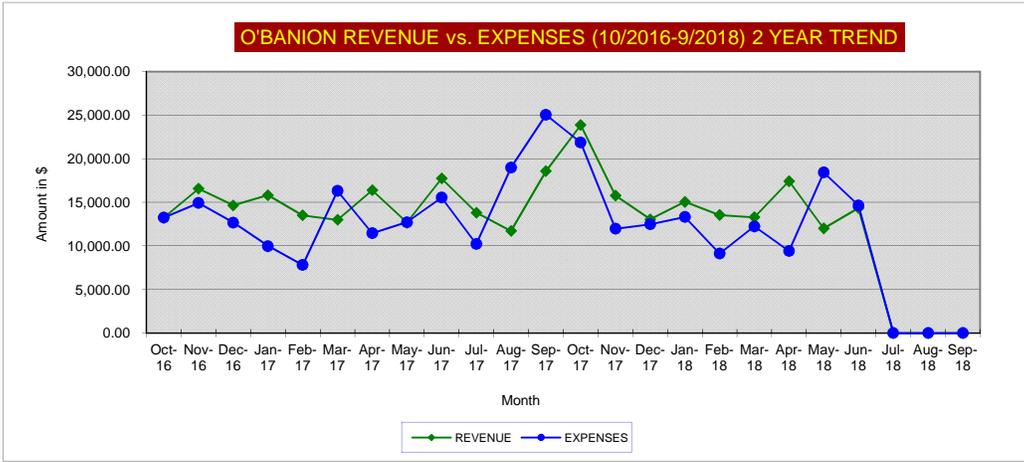
EXPEND. RATE:

UNIT/MONTH:

**LANGDON VILLA
BALANCE SHEET**

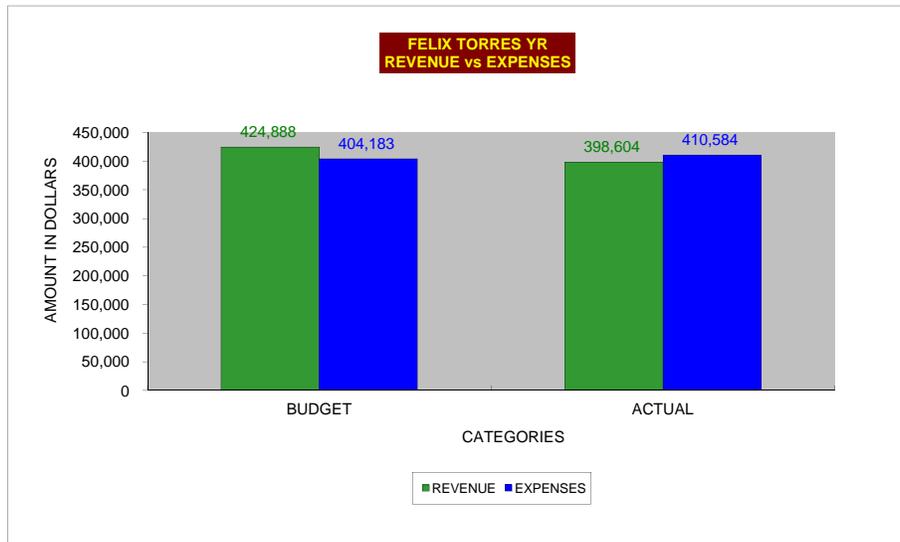


CATEGORIES	ASSETS	LIABILITIES	EQUITY	
CASH	5,044,086			
ACCTS. RECEIVABLE	131			
FIXED ASSETS	123,871			
NOTES RECEIVABLE	912,051			
2nd Trust Deeds	4,343,437			
OTHER L/T ASSETS	2,641,499			
DEFERRED OUTFLOWS	120,881			
ACCOUNTS PAYABLE		1,987		
Other Current Liabilities		151,653		
NOTES PAYABLE		0		
Other Non Current Liabilities		1,495,835		
DEFERRED INFLOWS		173,421		
PRIOR YEARS			10,221,799	
CURRENT YEAR			1,141,260	
EQUITY TRANSFERS			0	
	\$13,185,955	\$1,822,897	\$11,363,059	\$13,185,955
				LIAB. + EQUITY



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
NON-DWELL. RENTS	136,075	138,340	2,529.17	2,571.28
OTHER INCOME	0	0	0.00	0.00
	136,075	138,340	2,529.17	2,571.28
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	14,497	14,572	269.45	270.85
UTILITIES	49,207	41,830	914.59	777.49
MAINT. & OPER.	27,271	25,820	506.88	479.90
GENERAL	986	945	18.33	17.56
DEPRECIATION	40,202	40,350	747.22	749.97
	132,163	123,517	2,456.47	2,295.77
NET SURPLUS	3,912	14,823		
ENDING EQUITY BALANCE	2,435,631	2,446,542		
ADD BACK DEPRECIATION	40,202	40,350		
CASH FLOW	44,114	55,173		

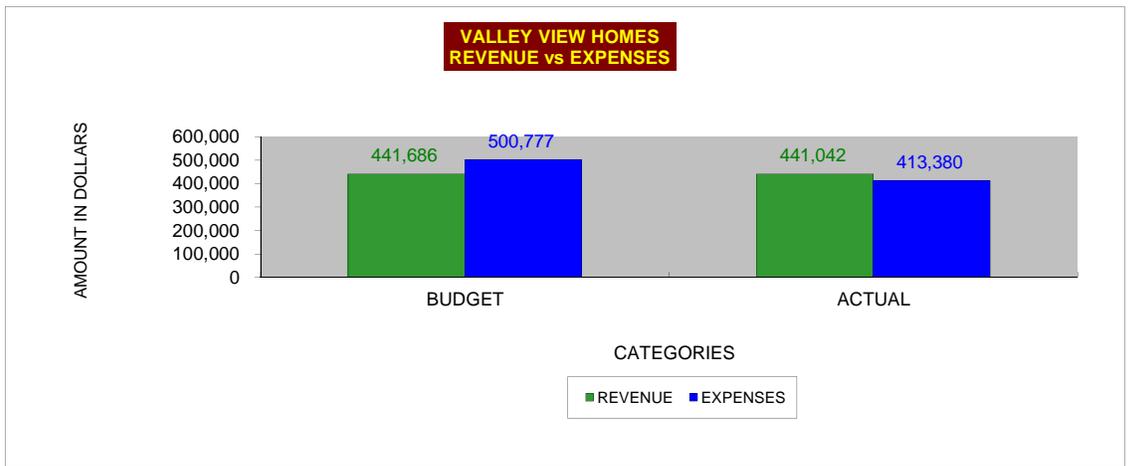
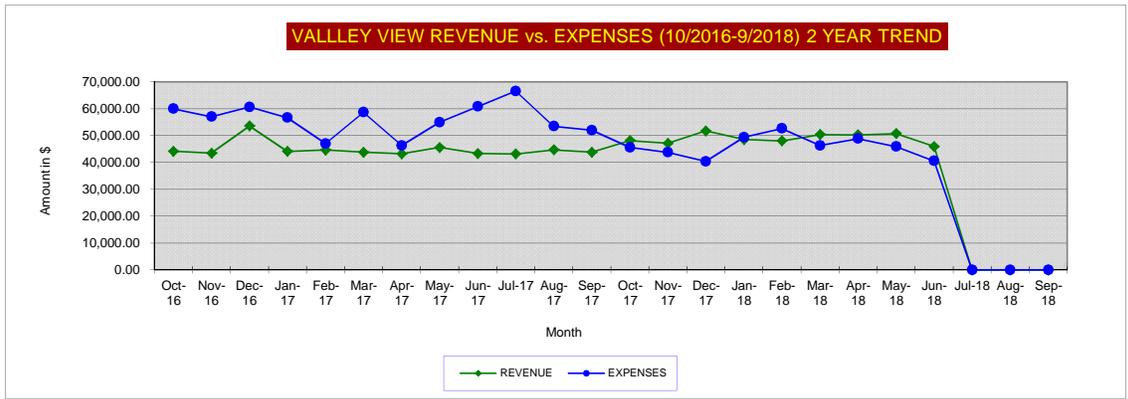
01-Oct-17 TO: 30-Jun-18



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	424,141	397,285	1,028.26	963.15
INTEREST	0	0	0.00	0.00
OTHER INCOME	747	1,319	1.81	3.20
	424,888	398,604	1,030.07	966.35
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	81,833	49,696	198.39	120.48
UTILITIES	66,916	53,197	162.23	128.97
MAINT.	55,446	84,599	134.42	205.10
GENERAL	50,694	89,898	122.90	217.94
DEPRECIATION	149,294	133,194	361.94	322.91
EQUITY TRANSFERS	0	0	0.00	0.00
	404,183	410,584	979.88	995.40
NET SURPLUS	20,705	(11,979)		
NET FROM OPERATIONS	20,705	(11,979)		
ENDING EQUITY BALANCE	(144,123)	(176,807)		
NET SURPLUS	20,705	(11,979)		
ADD BACK DEPRECIATION	149,294	133,194		
LESS CAPITAL EXPENDITURES	0	0		
CASH FLOW	169,999	121,215		

01-Oct-17

TO: 30-Jun-18



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
RENTS	433,975	419,880	662.97	641.44
INTEREST	1,345	0	2.05	0.00
OTHER INCOME	6,367	21,162	9.73	32.33
	441,686	441,042	674.75	673.77
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
ADMIN.	115,843	90,736	176.97	138.61
UTILITIES	77,117	66,177	117.81	101.10
MAINT. & OPER.	109,780	79,463	167.71	121.39
GENERAL	25,923	19,693	39.60	30.08
DEPRECIATION	30,278	30,051	46.25	45.91
BOND INTEREST	128,199	127,260	195.85	194.41
BOND REPLACEMENT RESV	13,637	0	20.83	0.00
	500,777	413,380	765.02	631.50
NET SURPLUS	(59,091)	27,662		
BOND PRINCIPAL	56,044	0		
ADJUSTED SURPLUS	(115,135)	27,662		
ADD BACK DEPRECIATION	30,278	30,051		
ADD BACK BOND COST AMORT	0	0		
CASH FLOW	(84,857)	57,713		
ENDING EQUITY BALANCE	(2,568,995)	(2,426,199)		

HOUSING AUTHORITY OF THE COUNTY OF MERCED

Migrant (.migrant)

REVENUE & EXPENDITURE STATUS REPORT

FISCAL YEAR PERIOD FROM: 07/01/2017 TO: 06/30/2018

REPORT PERIOD

FROM:

01-Jul-17

TO:

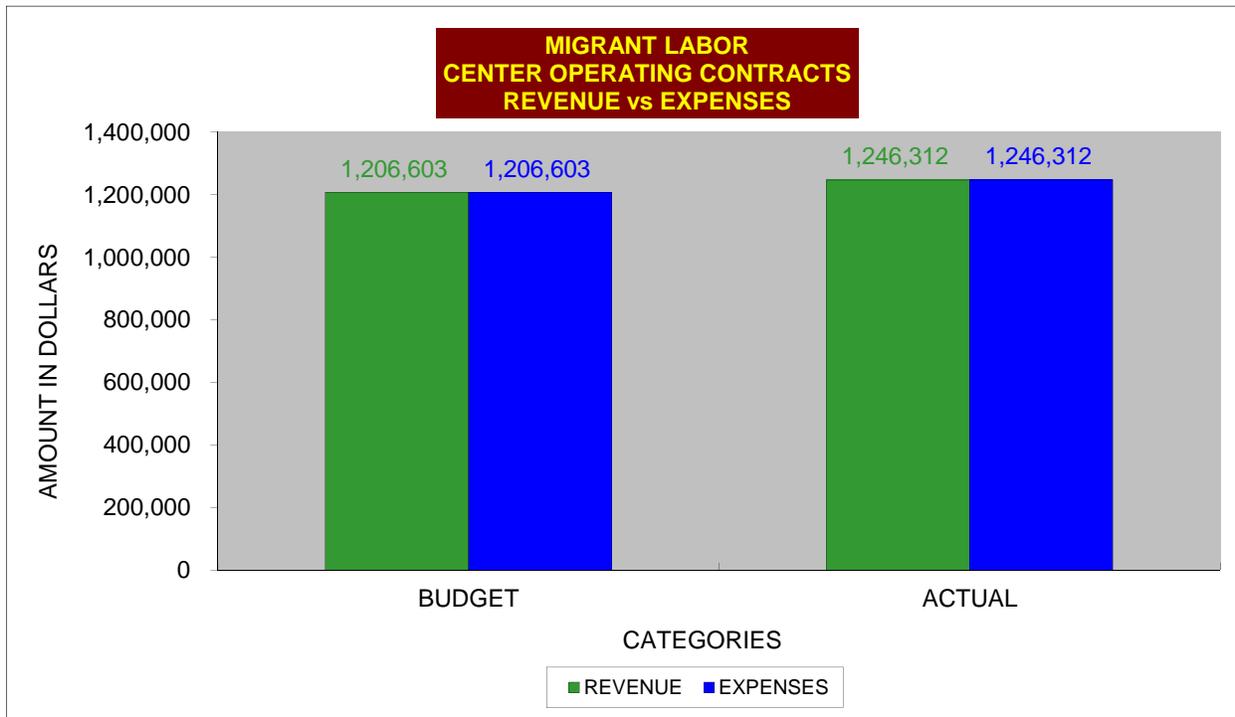
30-Jun-18

EXPEND. RATE:

100.0%

UNIT/MONTH:

1,548



REVENUE	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
OMS OPERATING	1,206,603	1,246,312	779.46	805.11
	1,206,603	1,246,312	779.46	805.11
EXPENSES	YTD BUDGET	YTD ACTUAL	PUM BUDGET	PUM ACTUAL
PERSONNEL	601,671	538,373	388.68	347.79
OPERATIONS	321,290	301,840	207.55	194.99
MAINTENANCE	18,650	41,078	12.05	26.54
ADMINISTRATION	114,591	105,661	74.03	68.26
DEBT SERVICE	150,401	259,359	97.16	167.54
	1,206,603	1,246,312	779.47	805.12
NET SURPLUS	-	-		

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET SUMMARY

2018-2019 FISCAL YEAR

	PUBLIC HOUSING	HCV	COCC	LANGDON	OBANION	VALLEY VIEW	FELIX TORRES YR	MIGRANT	TOTAL BUDGET
REVENUES									
TENANT INCOME	1,900,040	-	-	46,200	187,400	561,000	528,000	-	3,222,640
GRANT INCOME	1,202,000	19,194,000	-	-	-	-	-	1,154,596	21,550,596
OTHER INCOME	600	4,800	1,143,277	250,676	-	-	600	-	1,399,953
TOTAL REVENUES	3,102,640	19,198,800	1,143,277	296,876	187,400	561,000	528,600	1,154,596	26,173,189
EXPENSES									
TOTAL ADMINISTRATIVE	1,020,229	1,579,414	942,427	73,731	20,150	148,487	98,979	676,014	4,559,431
TOTAL UTILITIES	523,814	-	38,900	1,600	67,340	102,520	93,892	255,050	1,083,116
TOTAL MAINTENANCE AND OPS	841,082	112,350	72,970	4,400	36,760	147,661	79,556	43,630	1,338,409
TOTAL GENERAL EXPENSE	304,836	72,810	71,750	48,400	1,320	22,744	20,810	29,500	572,170
TOTAL HOUSING ASSISTANCE	-	17,430,000	-	-	-	-	-	-	17,430,000
TOTAL FINANCING	-	-	-	-	-	162,500	33,000	150,402	345,902
TOTAL NON-OPERATING	304,852	-	-	3,439	53,800	40,519	199,791	-	602,401
TOTAL EXPENSES	2,994,813	19,194,574	1,126,047	131,570	179,370	624,431	526,029	1,154,596	25,931,430
GAIN OR LOSS (CURRENT REVISION)	107,827	4,226	17,230	165,306	8,030	(63,431)	2,571	-	241,759
ORIGINAL BUDGET 2017-2018									
BOARD APPROVED BUDGET GAIN/LOSS	81,393	155,381	-	133,081	5,235	(60,831)	27,711	-	341,970
VARIANCES - GAIN/(LOSS)	26,434	(151,155)	17,230	32,225	2,795	(2,600)	(25,140)	-	(100,211)

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - AMP 1
 (MERCED AREA) 176 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 AMP 1	PROPOSED BUDGET 2018-2019 AMP 1	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	667,608.00	726,120.00	58,512.00	8.76%	Rent increases and higher tenant share of costs
2	GRANT INCOME	540,000.00	534,000.00	(6,000.00)	-1.11%	
3	OTHER INCOME	4,800.00	600.00	(4,200.00)	-87.50%	
4	TOTAL REVENUES	1,212,408.00	1,260,720.00	48,312.00	3.98%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	107,105.00	100,676.56	(6,428.44)	-6.00%	
6	FRINGE BENEFITS	87,290.00	78,931.16	(8,358.84)	-9.58%	
7	LEGAL EXPENSE	7,500.00	12,300.00	4,800.00	64.00%	
8	MANAGEMENT FEES	142,800.00	141,000.00	(1,800.00)	-1.26%	
9	BOOKKEEPING FEES	15,600.00	15,600.00	-	0.00%	
10	ASSET MANAGEMENT FEES	21,000.00	21,000.00	-	0.00%	
11	OTHER ADMIN EXPENSES	33,720.00	38,845.00	5,125.00	15.20%	
12	TOTAL ADMINISTRATIVE EXPENSES	415,015.00	408,352.72	(6,662.28)	-1.61%	
	UTILITIES					
13	WATER	35,600.00	38,814.06	3,214.06	9.03%	
14	ELECTRICITY	9,200.00	9,200.00	-	0.00%	
15	GAS	300.00	600.00	300.00	100.00%	
16	GARBAGE/TRASH	64,800.00	66,600.00	1,800.00	2.78%	
17	SEWER	72,000.00	73,200.00	1,200.00	1.67%	
18	OTHER UTILITIES	960.00	960.00	-	100.00%	
19	TOTAL UTILITIES	182,860.00	189,374.06	6,514.06	3.56%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	99,844.00	88,522.83	(11,321.17)	-11.34%	
21	FRINGE BENEFITS	17,743.00	21,882.07	4,139.07	23.33%	
22	UNIFORMS	1,500.00	1,200.00	(300.00)	100.00%	
23	VEHICLE GAS, OIL	5,000.00	5,000.00	-	100.00%	
24	MATERIALS	57,720.00	61,900.00	4,180.00	7.24%	
25	CONTRACT COSTS	126,985.00	119,855.00	(7,130.00)	-5.61%	
26	TOTAL MAINTENANCE AND OPERATIONS	308,792.00	298,359.90	(10,432.10)	-3.38%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - AMP 1
 (MERCED AREA) 176 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 AMP 1	PROPOSED BUDGET 2018-2019 AMP 1	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	GENERAL EXPENSE					
27	INSURANCE	34,837.00	38,160.00	3,323.00	9.54%	
28	P.I.L.O.T.	42,600.00	50,189.00	7,589.00	17.81%	
29	BAD DEBT EXPENSE	3,600.00	3,500.00	(100.00)	-2.78%	
30	OPEB EXPENSE	42,000.00	36,000.00	(6,000.00)	-14.29%	
31	OTHER GENERAL EXPENSE	4,200.00	2,400.00	(1,800.00)	-42.86%	
32	TOTAL GENERAL EXPENSE	127,237.00	130,249.00	3,012.00	2.37%	
	NON-OPERATING ITEMS					
33	DEPRECIATION	127,200.00	127,298.35	98.35	0.08%	
34	TOTAL NON-OPERATING ITEMS	127,200.00	127,298.35	98.35	0.08%	
35	TOTAL EXPENSES	1,161,104.00	1,153,634.03	(7,469.97)	-0.64%	
36	GAIN OR LOSS	51,304.00	107,085.97	55,781.97	108.73%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - AMP 2
 (ATWATER/LIVINGSTON AREA) 117 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 AMP 2	PROPOSED BUDGET 2018-2019 AMP 2	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	561,540.00	586,820.00	25,280.00	4.50%	Rent increases & higher tenant share of costs
2	GRANT INCOME	276,000.00	276,000.00	-	0.00%	
3	OTHER INCOME	-	-	-	0.00%	
4	TOTAL REVENUES	837,540.00	862,820.00	25,280.00	3.02%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	84,886.00	69,511.59	(15,374.41)	-18.11%	Asset Manager allocations
6	FRINGE BENEFITS	61,592.00	57,102.20	(4,489.80)	-7.29%	
7	LEGAL EXPENSE	4,438.00	6,700.00	2,262.00	50.97%	
8	MANAGEMENT FEES	95,080.00	94,000.00	(1,080.00)	-1.14%	
9	BOOKKEEPING FEES	10,508.00	10,500.00	(8.00)	-0.08%	
10	ASSET MANAGEMENT FEES	14,040.00	14,000.00	(40.00)	-0.28%	
11	OTHER ADMIN EXPENSES	26,760.00	29,420.00	2,660.00	9.94%	
12	TOTAL ADMINISTRATIVE EXPENSES	297,304.00	281,233.79	(16,070.21)	-5.41%	
	UTILITIES					
13	WATER	38,300.00	42,000.00	3,700.00	9.66%	
14	ELECTRICITY	6,275.00	7,200.00	925.00	14.74%	
15	GAS	400.00	400.00	-	0.00%	
16	GARBAGE/TRASH	46,330.00	48,000.00	1,670.00	3.60%	
17	SEWER	80,000.00	84,000.00	4,000.00	5.00%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	171,305.00	181,600.00	10,295.00	6.01%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	46,387.00	74,851.21	28,464.21	61.36%	Increased maintenance staff
21	FRINGE BENEFITS	7,873.00	20,096.89	12,223.89	155.26%	
22	UNIFORMS	900.00	720.00	(180.00)	0.00%	
23	VEHICLE GAS, OIL	4,800.00	6,000.00	1,200.00	25.00%	
24	MATERIALS	44,460.00	46,800.00	2,340.00	5.26%	
25	CONTRACT COSTS	101,775.18	94,140.00	(7,635.18)	-7.50%	
26	TOTAL MAINTENANCE AND OPERATIONS	206,195.18	242,608.10	36,412.92	17.66%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - AMP 2
 (ATWATER/LIVINGSTON AREA) 117 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 AMP 2	PROPOSED BUDGET 2018-2019 AMP 2	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	GENERAL EXPENSE					
27	INSURANCE	22,240.00	22,200.00	(40.00)	-0.18%	
28	P.I.L.O.T.	37,609.00	39,819.00	2,210.00	5.88%	
29	BAD DEBT EXPENSE	2,730.00	2,880.00	150.00	5.49%	
30	OPEB EXPENSE	33,840.00	15,600.00	(18,240.00)	-53.90%	Over budgeted in 2017-18
31	OTHER GENERAL EXPENSE	1,524.00	900.00	(624.00)	-40.94%	
32	TOTAL GENERAL EXPENSE	97,943.00	81,399.00	(16,544.00)	-16.89%	
	NON-OPERATING ITEMS					
33	DEPRECIATION	71,100.00	71,372.26	272.26	0.38%	
34	TOTAL NON-OPERATING ITEMS	71,100.00	71,372.26	272.26	0.38%	
35	TOTAL EXPENSES	843,847.18	858,213.15	14,365.97	1.70%	
36	GAIN OR LOSS	(6,307.18)	4,606.85	10,914.03	-173.04%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - AMP 3
 (LOS BANOS & DOS PALOS AREA) 122 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 AMP 3	PROPOSED BUDGET 2018-2019 AMP 3	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	507,956.00	571,500.00	63,544.00	12.51%	Rent increases and higher tenant share of costs
2	GRANT INCOME	402,842.00	372,000.00	(30,842.00)	-7.66%	Reflects payment trend - 17/18 budget overstated
3	OTHER INCOME	-	-	-	0.00%	
4	TOTAL REVENUES	910,798.00	943,500.00	32,702.00	3.59%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	73,386.00	86,578.69	13,192.69	17.98%	Asset Manager allocation changes
6	FRINGE BENEFITS	66,975.00	67,808.11	833.11	1.24%	
7	LEGAL EXPENSE	6,605.00	12,970.00	6,365.00	96.37%	Eviction costs
8	MANAGEMENT FEES	98,184.00	98,000.00	(184.00)	-0.19%	
9	BOOKKEEPING FEES	10,854.00	10,850.00	(4.00)	-0.04%	
10	ASSET MANAGEMENT FEES	14,640.00	14,640.00	-	0.00%	
11	OTHER ADMIN EXPENSES	26,602.78	30,130.00	3,527.22	13.26%	
12	TOTAL ADMINISTRATIVE EXPENSES	297,246.78	320,976.80	23,730.02	7.98%	
	UTILITIES					
13	WATER	55,000.00	56,500.00	1,500.00	2.73%	
14	ELECTRICITY	5,725.00	5,800.00	75.00	1.31%	
15	GAS	650.00	480.00	(170.00)	-26.15%	
16	GARBAGE/TRASH	44,500.00	42,000.00	(2,500.00)	-5.62%	
17	SEWER	45,250.00	42,000.00	(3,250.00)	-7.18%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	151,125.00	146,780.00	(4,345.00)	-2.88%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	89,308.00	77,806.01	(11,501.99)	-12.88%	
21	FRINGE BENEFITS	20,469.00	16,885.21	(3,583.79)	-17.51%	
22	UNIFORMS	450.00	750.00	300.00	100.00%	
23	VEHICLE GAS, OIL	6,000.00	6,000.00	-	0.00%	
24	MATERIALS	54,420.00	70,460.00	16,040.00	29.47%	
25	CONTRACT COSTS	89,964.00	121,800.00	31,836.00	35.39%	
26	TOTAL MAINTENANCE AND OPERATIONS	260,611.00	293,701.22	33,090.22	12.70%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - AMP 3
 (LOS BANOS & DOS PALOS AREA) 122 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 AMP 3	PROPOSED BUDGET 2018-2019 AMP 3	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	GENERAL EXPENSE					
27	INSURANCE	29,083.04	27,444.00	(1,639.04)	-5.64%	
28	P.I.L.O.T.	31,733.00	37,274.00	5,541.00	17.46%	
29	BAD DEBT EXPENSE	2,472.00	2,790.00	318.00	12.86%	
30	OPEB EXPENSE	26,053.00	21,000.00	(5,053.00)	-19.40%	
31	OTHER GENERAL EXPENSE	2,010.00	1,200.00	(810.00)	-40.30%	
32	TOTAL GENERAL EXPENSE	91,351.04	89,708.00	(1,643.04)	-1.80%	
	NON-OPERATING ITEMS					
33	DEPRECIATION	58,424.00	58,425.00	1.00	0.00%	
34	TOTAL NON-OPERATING ITEMS	58,424.00	58,425.00	1.00	0.00%	
35	TOTAL EXPENSES	858,757.82	909,591.02	50,833.20	5.92%	
36	GAIN OR LOSS	52,040.18	33,908.98	(18,131.20)	-34.84%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - AMP 4
 (MERCED 1ST STREET AREA) 6 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 AMP 4	PROPOSED BUDGET 2018-2019 AMP 4	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	18,500.00	15,600.00	(2,900.00)	-15.68%	
2	GRANT INCOME	14,400.00	20,000.00	5,600.00	38.89%	
3	OTHER INCOME	-	-	-	0.00%	
4	TOTAL REVENUES	32,900.00	35,600.00	2,700.00	8.21%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	3,454.00	2,257.91	(1,196.09)	-34.63%	
6	FRINGE BENEFITS	2,869.00	1,802.78	(1,066.22)	-37.16%	
7	LEGAL EXPENSE	900.00	575.00	(325.00)	-36.11%	
8	MANAGEMENT FEES	4,800.00	4,200.00	(600.00)	-12.50%	
9	BOOKKEEPING FEES	504.00	475.00	(29.00)	-5.75%	
10	ASSET MANAGEMENT FEES	480.00	-	(480.00)	100.00%	
11	OTHER ADMIN EXPENSES	790.00	355.00	(435.00)	-55.06%	
12	TOTAL ADMINISTRATIVE EXPENSES	13,797.00	9,665.69	(4,131.31)	-29.94%	
	UTILITIES					
13	WATER	1,200.00	1,000.00	(200.00)	-16.67%	
14	ELECTRICITY	700.00	400.00	(300.00)	-42.86%	
15	GAS	-	60.00	60.00	0.00%	
16	GARBAGE/TRASH	2,040.00	2,200.00	160.00	7.84%	
17	SEWER	2,400.00	2,400.00	-	0.00%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	6,340.00	6,060.00	(280.00)	-4.42%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	3,409.00	3,062.22	(346.78)	-10.17%	
21	FRINGE BENEFITS	607.00	750.62	143.62	23.66%	
22	UNIFORMS	50.00	30.00	(20.00)	100.00%	
23	VEHICLE GAS, OIL	60.00	30.00	(30.00)	-50.00%	
24	MATERIALS	3,400.00	1,020.00	(2,380.00)	-70.00%	
25	CONTRACT COSTS	2,420.00	1,520.00	(900.00)	-37.19%	
26	TOTAL MAINTENANCE AND OPERATIONS	9,946.00	6,412.84	(3,533.16)	-35.52%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - AMP 4
 (MERCED 1ST STREET AREA) 6 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

BOARD APPROVED BUDGET 2017-2018 AMP 4	PROPOSED BUDGET 2018-2019 AMP 4	BUDGET VS. BUDGET DIFFERENCE
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LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 AMP 4	PROPOSED BUDGET 2018-2019 AMP 4	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	GENERAL EXPENSE					
27	INSURANCE	1,197.00	1,260.00	63.00	5.26%	
28	P.I.L.O.T.	1,760.00	1,200.00	(560.00)	-31.82%	
29	BAD DEBT EXPENSE	90.00	-	(90.00)	-100.00%	
30	OPEB EXPENSE	1,414.00	960.00	(454.00)	-32.11%	
31	OTHER GENERAL EXPENSE	200.00	60.00	(140.00)	100.00%	
32	TOTAL GENERAL EXPENSE	4,661.00	3,480.00	(1,181.00)	-25.34%	
	NON-OPERATING ITEMS					
33	DEPRECIATION	13,800.00	47,756.72	33,956.72	246.06%	Full year depreciation. Prior budget reflected partial year.
34	TOTAL NON-OPERATING ITEMS	13,800.00	47,756.72	33,956.72	246.06%	
35	TOTAL EXPENSES	48,544.00	73,375.25	24,831.25	51.15%	
36	GAIN OR LOSS	(15,644.00)	(37,775.25)	(22,131.25)	141.47%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - PUBLIC HOUSING
 TOTAL 421 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 PH TOTALS	PROPOSED BUDGET 2018-2019 PH TOTALS	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	1,755,604.00	1,900,040.00	144,436.00	8.23%	
2	GRANT INCOME	1,233,242.00	1,202,000.00	(31,242.00)	-2.53%	
3	OTHER INCOME	4,800.00	600.00	(4,200.00)	-87.50%	
4	TOTAL REVENUES	2,993,646.00	3,102,640.00	108,994.00	3.64%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	268,831.00	259,024.75	(9,806.25)	-3.65%	
6	FRINGE BENEFITS	218,726.00	205,644.25	(13,081.75)	-5.98%	
7	LEGAL EXPENSE	19,443.00	32,545.00	13,102.00	67.39%	
8	MANAGEMENT FEES	340,864.00	337,200.00	(3,664.00)	-1.07%	
9	BOOKKEEPING FEES	37,466.00	37,425.00	(41.00)	-0.11%	
10	ASSET MANAGEMENT FEES	50,160.00	49,640.00	(520.00)	-1.04%	
11	OTHER ADMIN EXPENSES	87,872.78	98,750.00	10,877.22	12.38%	
12	TOTAL ADMINISTRATIVE EXPENSES	1,023,362.78	1,020,229.00	(3,133.78)	-0.31%	
	UTILITIES					
13	WATER	130,100.00	138,314.06	8,214.06	6.31%	
14	ELECTRICITY	21,900.00	22,600.00	700.00	3.20%	
15	GAS	1,350.00	1,540.00	190.00	14.07%	
16	GARBAGE/TRASH	157,670.00	158,800.00	1,130.00	0.72%	
17	SEWER	199,650.00	201,600.00	1,950.00	0.98%	
18	OTHER UTILITIES	960.00	960.00	-	0.00%	
19	TOTAL UTILITIES	511,630.00	523,814.06	12,184.06	2.38%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	238,948.00	244,242.27	5,294.27	2.22%	
21	FRINGE BENEFITS	46,692.00	59,614.79	12,922.79	27.68%	
22	UNIFORMS	2,900.00	2,700.00	(200.00)	100.00%	
23	VEHICLE GAS, OIL	15,860.00	17,030.00	1,170.00	7.38%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - PUBLIC HOUSING
 TOTAL 421 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 PH TOTALS	PROPOSED BUDGET 2018-2019 PH TOTALS	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	160,000.00	180,180.00	20,180.00	12.61%	
25	CONTRACT COSTS	321,144.18	337,315.00	16,170.82	5.04%	
26	TOTAL MAINTENANCE AND OPERATIONS	785,544.18	841,082.06	55,537.88	7.07%	
	GENERAL EXPENSE					
27	INSURANCE	87,357.04	89,064.00	1,706.96	1.95%	
28	P.I.L.O.T.	113,702.00	128,482.00	14,780.00	13.00%	
29	BAD DEBT EXPENSE	8,892.00	9,170.00	278.00	3.13%	
30	OPEB EXPENSE	103,307.00	73,560.00	(29,747.00)	-28.79%	
31	OTHER GENERAL EXPENSE	7,934.00	4,560.00	(3,374.00)	-42.53%	
32	TOTAL GENERAL EXPENSE	321,192.04	304,836.00	(16,356.04)	-5.09%	
	NON-OPERATING ITEMS					
33	DEPRECIATION	270,524.00	304,852.33	34,328.33	12.69%	
34	TOTAL NON-OPERATING ITEMS	270,524.00	304,852.33	34,328.33	12.69%	
35	TOTAL EXPENSES	2,912,253.00	2,994,813.45	82,560.45	2.83%	
36	GAIN OR LOSS	81,393.00	107,826.55	26,433.55	32.48%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - HOUSING CHOICE VOUCHERS
 (HCV) 2791 VOUCHERS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 HCV	PROPOSED BUDGET 2018-19 HCV	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	-	-	-	0.00%	
2	GRANT INCOME	19,854,000.00	19,194,000.00	(660,000.00)	-3.32%	Lower utilization levels than prior budget period
3	OTHER INCOME	3,600.00	4,800.00	1,200.00	33.33%	
4	TOTAL REVENUES	19,857,600.00	19,198,800.00	(658,800.00)	-3.32%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	395,805.00	472,513.50	76,708.50	19.38%	Includes 50% of program director salary
6	FRINGE BENEFITS	215,800.00	251,030.81	35,230.81	16.33%	Based on actual benefits costs
7	LEGAL EXPENSE	32,100.00	27,750.00	(4,350.00)	-13.55%	
8	MANAGEMENT FEES	387,600.00	386,250.00	(1,350.00)	-0.35%	
9	BOOKKEEPING FEES	243,600.00	231,750.00	(11,850.00)	-4.86%	Decrease in total vouchers issued
10	ASSET MANAGEMENT FEES	-	-	-	0.00%	
11	OTHER ADMIN EXPENSES	199,440.00	210,120.00	10,680.00	5.35%	Nelrod and Appraisal Group contracts
12	TOTAL ADMINISTRATIVE EXPENSES	1,474,345.00	1,579,414.31	105,069.31	7.13%	
	UTILITIES					
13	WATER	-	-	-	0.00%	
14	ELECTRICITY	-	-	-	0.00%	
15	GAS	-	-	-	0.00%	
16	GARBAGE/TRASH	-	-	-	0.00%	
17	SEWER	-	-	-	0.00%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	-	-	-	0.00%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	-	-	-	0.00%	
21	FRINGE BENEFITS	-	-	-	0.00%	
22	UNIFORMS	-	-	-	0.00%	
23	VEHICLE GAS, OIL	-	150.00	150.00	0.00%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - HOUSING CHOICE VOUCHERS
 (HCV) 2791 VOUCHERS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 HCV	PROPOSED BUDGET 2018-19 HCV	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	360.00	600.00	240.00	100.00%	
25	CONTRACT COSTS	111,600.00	111,600.00	-	0.00%	
26	TOTAL MAINTENANCE AND OPERATIONS	111,960.00	112,350.00	390.00	0.35%	
	GENERAL EXPENSE					
27	INSURANCE	18,614.00	21,810.00	3,196.00	17.17%	
28	P.I.L.O.T.	-	-	-	0.00%	
29	BAD DEBT EXPENSE	-	-	-	0.00%	
30	OPEB EXPENSE	86,500.00	42,000.00	(44,500.00)	-51.45%	Over budgeted in 2017-18
31	OTHER GENERAL EXPENSE	10,800.00	9,000.00	(1,800.00)	-16.67%	
32	TOTAL GENERAL EXPENSE	115,914.00	72,810.00	(43,104.00)	-37.19%	
	HOUSING ASSISTANCE PAYMENTS					
33	HOUSING ASSISTANCE (HAP & URP)	18,000,000.00	17,430,000.00	(570,000.00)	-3.17%	Fewer Vouchers utilized
34	TOTAL NON-OPERATING ITEMS	18,000,000.00	17,430,000.00	(570,000.00)	-3.17%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	-	-	-	0.00%	
36	TOTAL NON-OPERATING ITEMS	-	-	-	0.00%	
35	TOTAL EXPENSES	19,702,219.00	19,194,574.31	(507,644.69)	-2.58%	
36	GAIN OR LOSS	155,381.00	4,225.69	(151,155.31)	-97.28%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - CENTRAL OFFICE COST CENTER
 (COCC)
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 COCC	PROPOSED BUDGET 2018-19 COCC	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	-	-	-	0.00%	
2	GRANT INCOME	-	-	-	0.00%	
3	OTHER INCOME	1,129,690.00	1,143,276.75	13,586.75	1.20%	
4	TOTAL REVENUES	1,129,690.00	1,143,276.75	13,586.75	1.20%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	451,660.00	487,650.64	35,990.64	7.97%	50% of Admin Clerk for Finance
6	FRINGE BENEFITS	240,603.00	257,036.11	16,433.11	6.83%	
7	LEGAL EXPENSE	47,000.00	64,800.00	17,800.00	37.87%	Based on 2017-18 spend projections
8	MANAGEMENT FEES	-	-	-	0.00%	
9	BOOKKEEPING FEES	-	-	-	0.00%	
10	ASSET MANAGEMENT FEES	-	-	-	0.00%	
11	OTHER ADMIN EXPENSES	140,040.00	132,940.00	(7,100.00)	-5.07%	Continued cost efficiencies in "other" category
12	TOTAL ADMINISTRATIVE EXPENSES	879,303.00	942,426.75	63,123.75	7.18%	
	UTILITIES					
13	WATER	3,900.00	3,800.00	(100.00)	-2.56%	
14	ELECTRICITY	31,200.00	30,100.00	(1,100.00)	-3.53%	
15	GAS	3,000.00	2,400.00	(600.00)	-20.00%	
16	GARBAGE/TRASH	1,200.00	1,100.00	(100.00)	-8.33%	
17	SEWER	1,800.00	1,500.00	(300.00)	-16.67%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	41,100.00	38,900.00	(2,200.00)	-5.35%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	-	-	-	0.00%	
21	FRINGE BENEFITS	-	-	-	0.00%	
22	UNIFORMS	-	-	-	0.00%	
23	VEHICLE GAS, OIL	3,000.00	720.00	(2,280.00)	-76.00%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - CENTRAL OFFICE COST CENTER
 (COCC)
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 COCC	PROPOSED BUDGET 2018-19 COCC	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	3,600.00	1,150.00	(2,450.00)	-68.06%	
25	CONTRACT COSTS	69,820.00	71,100.00	1,280.00	1.83%	
26	TOTAL MAINTENANCE AND OPERATIONS	76,420.00	72,970.00	(3,450.00)	-4.51%	
	GENERAL EXPENSE					
27	INSURANCE	16,867.00	17,750.00	883.00	5.24%	
28	P.I.L.O.T.	-	-	-	0.00%	
29	BAD DEBT EXPENSE	-	-	-	0.00%	
30	OPEB EXPENSE	116,000.00	54,000.00	(62,000.00)	-53.45%	Over budgeted in 2017-18
31	OTHER GENERAL EXPENSE	-	-	-	#DIV/0!	
32	TOTAL GENERAL EXPENSE	132,867.00	71,750.00	(61,117.00)	-46.00%	
	HOUSING ASSISTANCE PAYMENTS					
33	HOUSING ASSISTANCE (HAP & URP)	-	-	-	0.00%	
34	TOTAL NON-OPERATING ITEMS	-	-	-	0.00%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	-	-	-	0.00%	
36	TOTAL NON-OPERATING ITEMS	-	-	-	0.00%	
35	TOTAL EXPENSES	1,129,690.00	1,126,046.75	(3,643.25)	-0.32%	
36	GAIN OR LOSS	-	17,230.00	17,230.00	#DIV/0!	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - LANGDON VILLAS
 1 UNIT
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 LANGDON	PROPOSED BUDGET 2018-19 LANGDON	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	46,200.00	46,200.00	-	0.00%	
2	GRANT INCOME	-	-	-	0.00%	
3	OTHER INCOME	249,423.00	250,676.00	1,253.00	0.50%	
4	TOTAL REVENUES	295,623.00	296,876.00	1,253.00	0.42%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	42,860.00	46,461.88	3,601.88	8.40%	
6	FRINGE BENEFITS	22,768.00	23,928.68	1,160.68	5.10%	
7	LEGAL EXPENSE	1,200.00	2,620.00	1,420.00	118.33%	
8	MANAGEMENT FEES	-	-	-	0.00%	
9	BOOKKEEPING FEES	-	-	-	0.00%	
10	ASSET MANAGEMENT FEES	-	-	-	0.00%	
11	OTHER ADMIN EXPENSES	1,200.00	720.00	(480.00)	-40.00%	
12	TOTAL ADMINISTRATIVE EXPENSES	68,028.00	73,730.56	5,702.56	8.38%	
	UTILITIES					
13	WATER	600.00	600.00	-	0.00%	
14	ELECTRICITY	-	-	-	0.00%	
15	GAS	-	-	-	0.00%	
16	GARBAGE/TRASH	400.00	400.00	-	0.00%	
17	SEWER	500.00	600.00	100.00	20.00%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	1,500.00	1,600.00	100.00	6.67%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	419.00	-	(419.00)	-100.00%	
21	FRINGE BENEFITS	78.00	-	(78.00)	0.00%	
22	UNIFORMS	-	-	-	0.00%	
23	VEHICLE GAS, OIL	-	-	-	0.00%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - LANGDON VILLAS
 1 UNIT
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 LANGDON	PROPOSED BUDGET 2018-19 LANGDON	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	300.00	800.00	500.00	166.67%	
25	CONTRACT COSTS	4,200.00	3,600.00	(600.00)	-14.29%	
26	TOTAL MAINTENANCE AND OPERATIONS	4,997.00	4,400.00	(597.00)	-11.95%	
	GENERAL EXPENSE					
27	INSURANCE	4,266.00	3,300.00	(966.00)	-22.64%	
28	P.I.L.O.T.	-	-	-	0.00%	
29	BAD DEBT EXPENSE	-	-	-	0.00%	
30	OPEB EXPENSE	79,713.00	45,000.00	(34,713.00)	-43.55%	Over budgeted in 2017-18
31	OTHER GENERAL EXPENSE	600.00	100.00	(500.00)	-83.33%	
32	TOTAL GENERAL EXPENSE	84,579.00	48,400.00	(36,179.00)	-42.78%	
	HOUSING ASSISTANCE PAYMENTS					
33	HOUSING ASSISTANCE (HAP & URP)	-	-	-	0.00%	
34	TOTAL NON-OPERATING ITEMS	-	-	-	0.00%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	3,438.00	3,439.00	1.00	0.03%	
36	TOTAL NON-OPERATING ITEMS	3,438.00	3,439.00	1.00	0.03%	
35	TOTAL EXPENSES	162,542.00	131,569.56	(30,972.44)	-19.06%	
36	GAIN OR LOSS	133,081.00	165,306.44	32,225.44	24.21%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - OBANION CENTER
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 OBANION	PROPOSED BUDGET 2018-19 OBANION	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	182,100.00	187,400.00	5,300.00	2.91%	
2	GRANT INCOME	-	-	-	0.00%	
3	OTHER INCOME	-	-	-	0.00%	
4	TOTAL REVENUES	182,100.00	187,400.00	5,300.00	2.91%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	-	-	-	0.00%	
6	FRINGE BENEFITS	-	-	-	0.00%	
7	LEGAL EXPENSE	600.00	600.00	-	0.00%	
8	MANAGEMENT FEES	17,900.00	18,650.00	750.00	4.19%	
9	BOOKKEEPING FEES	-	-	-	0.00%	
10	ASSET MANAGEMENT FEES	-	-	-	0.00%	
11	OTHER ADMIN EXPENSES	900.00	900.00	-	0.00%	
12	TOTAL ADMINISTRATIVE EXPENSES	19,400.00	20,150.00	750.00	3.87%	
	UTILITIES					
13	WATER	3,350.00	3,820.00	470.00	14.03%	
14	ELECTRICITY	44,000.00	45,650.00	1,650.00	3.75%	
15	GAS	4,800.00	3,750.00	(1,050.00)	-21.88%	
16	GARBAGE/TRASH	2,700.00	2,580.00	(120.00)	-4.44%	
17	SEWER	11,000.00	11,540.00	540.00	4.91%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	65,850.00	67,340.00	1,490.00	2.26%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	-	-	-	0.00%	
21	FRINGE BENEFITS	-	-	-	0.00%	
22	UNIFORMS	-	-	-	0.00%	
23	VEHICLE GAS, OIL	-	-	-	0.00%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - OBANION CENTER
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 OBANION	PROPOSED BUDGET 2018-19 OBANION	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	3,600.00	5,850.00	2,250.00	62.50%	
25	CONTRACT COSTS	32,895.00	30,910.00	(1,985.00)	-6.03%	
26	TOTAL MAINTENANCE AND OPERATIONS	36,495.00	36,760.00	265.00	0.73%	
	GENERAL EXPENSE					
27	INSURANCE	1,320.00	1,320.00	-	0.00%	
28	P.I.L.O.T.	-	-	-	0.00%	
29	BAD DEBT EXPENSE	-	-	-	0.00%	
30	OPEB EXPENSE	-	-	-	0.00%	
31	OTHER GENERAL EXPENSE	-	-	-	0.00%	
32	TOTAL GENERAL EXPENSE	1,320.00	1,320.00	-	0.00%	
	HOUSING ASSISTANCE PAYMENTS					
33	HOUSING ASSISTANCE (HAP & URP)	-	-	-	0.00%	
34	TOTAL NON-OPERATING ITEMS	-	-	-	0.00%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	53,800.00	53,800.00	-	0.00%	
36	TOTAL NON-OPERATING ITEMS	53,800.00	53,800.00	-	0.00%	
35	TOTAL EXPENSES	176,865.00	179,370.00	2,505.00	1.42%	
36	GAIN OR LOSS	5,235.00	8,030.00	2,795.00	53.39%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - VALLEY VIEW
 73 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

BOARD APPROVED BUDGET 2017-2018 VALLEY VIEW	PROPOSED BUDGET 2018-2019 VALLEY VIEW	BUDGET VS. BUDGET DIFFERENCE
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LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 VALLEY VIEW	PROPOSED BUDGET 2018-2019 VALLEY VIEW	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	589,280.00	561,000.00	(28,280.00)	-4.80%	Vacancies and lower tenant share of costs
2	GRANT INCOME	-	-	-	0.00%	
3	OTHER INCOME	1,800.00	-	(1,800.00)	-100.00%	
4	TOTAL REVENUES	591,080.00	561,000.00	(30,080.00)	-5.09%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	42,777.00	44,541.00	1,764.00	4.12%	
6	FRINGE BENEFITS	38,751.00	37,926.33	(824.67)	-2.13%	
7	LEGAL EXPENSE	1,980.00	6,240.00	4,260.00	215.15%	
8	MANAGEMENT FEES	58,200.00	57,000.00	(1,200.00)	-2.06%	
9	BOOKKEEPING FEES	-	-	-	0.00%	
10	ASSET MANAGEMENT FEES	-	-	-	0.00%	
11	OTHER ADMIN EXPENSES	13,320.00	2,780.00	(10,540.00)	-79.13%	Removal of Bond fee from budget
12	TOTAL ADMINISTRATIVE EXPENSES	155,028.00	148,487.33	(6,540.67)	-4.22%	
	UTILITIES					
13	WATER	36,240.00	35,800.00	(440.00)	-1.21%	
14	ELECTRICITY	9,240.00	7,800.00	(1,440.00)	-15.58%	
15	GAS	720.00	720.00	-	0.00%	
16	GARBAGE/TRASH	16,800.00	16,200.00	(600.00)	-3.57%	
17	SEWER	40,200.00	42,000.00	1,800.00	4.48%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	103,200.00	102,520.00	(680.00)	-0.66%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	49,121.00	46,685.52	(2,435.48)	-4.96%	
21	FRINGE BENEFITS	10,842.00	10,575.03	(266.97)	-2.46%	
22	UNIFORMS	-	-	-	0.00%	
23	VEHICLE GAS, OIL	-	-	-	0.00%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - VALLEY VIEW
 73 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 VALLEY VIEW	PROPOSED BUDGET 2018-2019 VALLEY VIEW	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	15,400.00	16,100.00	700.00	4.55%	
25	CONTRACT COSTS	71,550.00	74,300.00	2,750.00	3.84%	
26	TOTAL MAINTENANCE AND OPERATIONS	146,913.00	147,660.55	747.55	0.51%	
	GENERAL EXPENSE					
27	INSURANCE	17,243.00	14,424.00	(2,819.00)	-16.35%	
28	P.I.L.O.T.	-	-	-	0.00%	
29	BAD DEBT EXPENSE	1,000.00	1,080.00	80.00	8.00%	
30	OPEB EXPENSE	16,448.00	7,240.00	(9,208.00)	-55.98%	Over budgeted in 2017-18
31	OTHER GENERAL EXPENSE	-	-	-	0.00%	
32	TOTAL GENERAL EXPENSE	34,691.00	22,744.00	(11,947.00)	-34.44%	
	FINANCING EXPENSES					
33	INTEREST EXPENSE - BOND	171,560.00	162,500.00	(9,060.00)	-5.28%	Based on bond repayment schedule
34	TOTAL FINANCING	171,560.00	162,500.00	(9,060.00)	-5.28%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	40,519.00	40,519.00	-	0.00%	
36	TOTAL NON-OPERATING ITEMS	40,519.00	40,519.00	-	0.00%	
35	TOTAL EXPENSES	651,911.00	624,430.88	(27,480.12)	-4.22%	
36	GAIN OR LOSS	(60,831.00)	(63,430.88)	(2,599.88)	4.27%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - FELIX TORRES YEAR ROUND
 50 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

BOARD
 APPROVED
 BUDGET
 2017-2018
 FT-YR

PROPOSED
 BUDGET
 2018-2019
 FT-YR

BUDGET VS.
 BUDGET
 DIFFERENCE

DIFF. %

COMMENTS

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 FT-YR	PROPOSED BUDGET 2018-2019 FT-YR	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	567,600.00	528,000.00	(39,600.00)	-6.98%	Decreased tenant rent and Rental Assistance
2	GRANT INCOME	-		-	0.00%	
3	OTHER INCOME	1,000.00	600.00	(400.00)	0.00%	
4	TOTAL REVENUES	568,600.00	528,600.00	(40,000.00)	-7.03%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	32,037.00	22,836.60	(9,200.40)	0.00%	
6	FRINGE BENEFITS	20,903.00	22,402.72	1,499.72	7.17%	
7	LEGAL EXPENSE	8,850.00	5,900.00	(2,950.00)	-33.33%	
8	MANAGEMENT FEES	34,800.00	34,800.00	-	0.00%	
9	BOOKKEEPING FEES	-	-	-	0.00%	
10	ASSET MANAGEMENT FEES	-	-	-	0.00%	
11	OTHER ADMIN EXPENSES	12,920.00	13,040.00	120.00	0.93%	
12	TOTAL ADMINISTRATIVE EXPENSES	109,510.00	98,979.32	(10,530.68)	-9.62%	
	UTILITIES					
13	WATER	28,000.00	29,800.00	1,800.00	6.43%	
14	ELECTRICITY	17,400.00	17,400.00	-	0.00%	
15	GAS	780.00	720.00	(60.00)	-7.69%	
16	GARBAGE/TRASH	5,700.00	6,300.00	600.00	10.53%	
17	SEWER	37,020.00	39,000.00	1,980.00	5.35%	
18	OTHER UTILITIES	650.00	672.00	22.00	100.00%	
19	TOTAL UTILITIES	89,550.00	93,892.00	4,342.00	4.85%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	37,631.00	37,641.97	10.97	100.00%	
21	FRINGE BENEFITS	7,197.00	14,869.40	7,672.40	106.61%	
22	UNIFORMS	800.00	600.00	(200.00)	100.00%	
23	VEHICLE GAS, OIL	1,800.00	1,200.00	(600.00)	-33.33%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - FELIX TORRES YEAR ROUND
 50 UNITS
 BOARD APPROVED BUDGET & BUDGET REVISION

LINE #	ITEM	BOARD APPROVED BUDGET 2017-2018 FT-YR	PROPOSED BUDGET 2018-2019 FT-YR	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	19,170.00	19,150.00	(20.00)	-0.10%	
25	CONTRACT COSTS	7,600.00	6,095.00	(1,505.00)	-19.80%	
26	TOTAL MAINTENANCE AND OPERATIONS	74,198.00	79,556.37	5,358.37	7.22%	
	GENERAL EXPENSE					
27	INSURANCE	11,848.00	10,700.00	(1,148.00)	-9.69%	
28	P.I.L.O.T.	-	-	-	0.00%	
29	BAD DEBT EXPENSE	1,170.00	1,110.00	(60.00)	100.00%	
30	OPEB EXPENSE	18,886.00	9,000.00	(9,886.00)	-52.35%	Over budgeted in 2017-18
31	OTHER GENERAL EXPENSE	-	-	-	0.00%	
32	TOTAL GENERAL EXPENSE	31,904.00	20,810.00	(11,094.00)	-34.77%	
	FINANCING EXPENSE					
33	INTEREST EXPENSES	35,936.00	33,000.00	(2,936.00)	-8.17%	
34	TOTAL FINANCING EXPENSE	35,936.00	33,000.00	(2,936.00)	-8.17%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	199,791.00	199,791.00	-	0.00%	
36	TOTAL NON-OPERATING ITEMS	199,791.00	199,791.00	-	0.00%	
35	TOTAL EXPENSES	540,889.00	526,028.69	(14,860.31)	-2.75%	
36	GAIN OR LOSS	27,711.00	2,571.31	(25,139.69)	-90.72%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - ATWATER MIGRANT 59 UNITS
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET 2017-2018 MIG - ATW	BUDGET 2018-2019 MIG - ATW	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	-	-	-	0.00%	
2	GRANT INCOME	262,326.00	265,082.00	2,756.00	1.05%	
3	OTHER INCOME	-	-	-	0.00%	
4	TOTAL REVENUES	262,326.00	265,082.00	2,756.00	1.05%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	94,194.00	94,194.00	-	0.00%	
6	FRINGE BENEFITS	48,600.00	50,060.00	1,460.00	3.00%	
7	LEGAL EXPENSE	-	-	-	0.00%	
8	MANAGEMENT FEES	24,302.00	24,098.00	(204.00)	-0.84%	
9	BOOKKEEPING FEES	-	-	-	0.00%	
10	ASSET MANAGEMENT FEES	-	-	-	0.00%	
11	OTHER ADMIN EXPENSES	6,400.00	6,400.00	-	0.00%	
12	TOTAL ADMINISTRATIVE EXPENSES	173,496.00	174,752.00	1,256.00	0.72%	
	UTILITIES					
13	WATER	-	-	-	0.00%	
14	ELECTRICITY	40,000.00	41,000.00	1,000.00	2.50%	
15	GAS	-	-	-	0.00%	
16	GARBAGE/TRASH	9,000.00	9,180.00	180.00	2.00%	
17	SEWER	5,200.00	6,120.00	920.00	17.69%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	54,200.00	56,300.00	2,100.00	3.87%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	-	-	-	0.00%	
21	FRINGE BENEFITS	-	-	-	0.00%	
22	UNIFORMS	-	-	-	0.00%	
23	VEHICLE GAS, OIL	2,500.00	2,500.00	-	0.00%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - ATWATER MIGRANT 59 UNITS
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. %	COMMENTS
		2017-2018 MIG - ATW	2018-2019 MIG - ATW	BUDGET DIFFERENCE		
24	MATERIALS	25,130.00	24,530.00	(600.00)	-2.39%	
25	CONTRACT COSTS	-	-	-	0.00%	
26	TOTAL MAINTENANCE AND OPERATIONS	27,630.00	27,030.00	(600.00)	-2.17%	
	GENERAL EXPENSE					
27	INSURANCE	7,000.00	7,000.00	-	0.00%	
28	P.I.L.O.T.	-	-	-	0.00%	
29	BAD DEBT EXPENSE	-	-	-	0.00%	
30	OPEB EXPENSE	-	-	-	0.00%	
31	OTHER GENERAL EXPENSE	-	-	-	0.00%	
32	TOTAL GENERAL EXPENSE	7,000.00	7,000.00	-	0.00%	
	HOUSING ASSISTANCE PAYMENTS					
33	HOUSING ASSISTANCE (HAP & URP)	-	-	-	0.00%	
34	TOTAL NON-OPERATING ITEMS	-	-	-	0.00%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	-	-	-	0.00%	
36	TOTAL NON-OPERATING ITEMS	-	-	-	0.00%	
35	TOTAL EXPENSES	262,326.00	265,082.00	2,756.00	1.05%	
36	GAIN OR LOSS	-	-	-	#DIV/0!	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - MIGRANT LOS BANOS - 48 UNITS
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET 2017-2018 MIG - LB	BUDGET 2018-2019 MIG - LB	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	-	-	-	#DIV/0!	
2	GRANT INCOME	246,998.00	243,621.00	(3,377.00)	-1.37%	
3	OTHER INCOME	-	-	-	#DIV/0!	
4	TOTAL REVENUES	246,998.00	243,621.00	(3,377.00)	-1.37%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	84,419.00	84,419.00	-	0.00%	
6	FRINGE BENEFITS	45,900.00	47,280.00	1,380.00	3.01%	
7	LEGAL EXPENSE	-	-	-	#DIV/0!	
8	MANAGEMENT FEES	22,454.00	22,147.00	(307.00)	-1.37%	
9	BOOKKEEPING FEES	-	-	-	#DIV/0!	
10	ASSET MANAGEMENT FEES	-	-	-	#DIV/0!	
11	OTHER ADMIN EXPENSES	11,425.00	10,675.00	(750.00)	-6.56%	
12	TOTAL ADMINISTRATIVE EXPENSES	164,198.00	164,521.00	323.00	0.20%	
	UTILITIES					
13	WATER	-	-	-	#DIV/0!	
14	ELECTRICITY	44,000.00	44,900.00	900.00	2.05%	
15	GAS	-	-	-	#DIV/0!	
16	GARBAGE/TRASH	9,000.00	9,200.00	200.00	2.22%	
17	SEWER	11,000.00	11,200.00	200.00	1.82%	
18	OTHER UTILITIES	-	-	-	#DIV/0!	
19	TOTAL UTILITIES	64,000.00	65,300.00	1,300.00	2.03%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	-	-	-	#DIV/0!	
21	FRINGE BENEFITS	-	-	-	#DIV/0!	
22	UNIFORMS	-	-	-	#DIV/0!	
23	VEHICLE GAS, OIL	-	-	-	#DIV/0!	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - MIGRANT LOS BANOS - 48 UNITS
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. %	COMMENTS
		2017-2018 MIG - LB	2018-2019 MIG - LB	BUDGET DIFFERENCE		
24	MATERIALS	12,800.00	7,800.00	(5,000.00)	-39.06%	
25	CONTRACT COSTS	-	-	-	#DIV/0!	
26	TOTAL MAINTENANCE AND OPERATIONS	12,800.00	7,800.00	(5,000.00)	-39.06%	
	GENERAL EXPENSE					
27	INSURANCE	6,000.00	6,000.00	-	0.00%	
28	P.I.L.O.T.	-	-	-	#DIV/0!	
29	BAD DEBT EXPENSE	-	-	-	#DIV/0!	
30	OPEB EXPENSE	-	-	-	#DIV/0!	
31	OTHER GENERAL EXPENSE	-	-	-	#DIV/0!	
32	TOTAL GENERAL EXPENSE	6,000.00	6,000.00	-	0.00%	
	HOUSING ASSISTANCE PAYMENTS					
33	HOUSING ASSISTANCE (HAP & URP)	-	-	-	#DIV/0!	
34	TOTAL NON-OPERATING ITEMS	-	-	-	#DIV/0!	
	NON-OPERATING ITEMS					
35	DEPRECIATION	-	-	-	#DIV/0!	
36	TOTAL NON-OPERATING ITEMS	-	-	-	#DIV/0!	
35	TOTAL EXPENSES	246,998.00	243,621.00	(3,377.00)	-1.37%	
36	GAIN OR LOSS	-	-	-	#DIV/0!	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - PLANADA MIGRANT CENTER - 72 UNITS
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET 2017-2018 MIG - PLAN	BUDGET 2018-2019 MIG - PLAN	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	-	-	-	#DIV/0!	
2	GRANT INCOME	353,924.00	351,034.00	(2,890.00)	-0.82%	
3	OTHER INCOME	-	-	-	#DIV/0!	
4	TOTAL REVENUES	353,924.00	351,034.00	(2,890.00)	-0.82%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	73,706.00	73,706.00	-	0.00%	
6	FRINGE BENEFITS	39,150.00	39,150.00	-	0.00%	
7	LEGAL EXPENSE	-	-	-	#DIV/0!	
8	MANAGEMENT FEES	35,416.00	32,376.00	(3,040.00)	-8.58%	
9	BOOKKEEPING FEES	-	-	-	#DIV/0!	
10	ASSET MANAGEMENT FEES	-	-	-	#DIV/0!	
11	OTHER ADMIN EXPENSES	10,844.00	9,444.00	(1,400.00)	-12.91%	
12	TOTAL ADMINISTRATIVE EXPENSES	159,116.00	154,676.00	(4,440.00)	-2.79%	
	UTILITIES					
13	WATER	-	-	-	#DIV/0!	
14	ELECTRICITY	20,000.00	20,400.00	400.00	2.00%	
15	GAS	-	-	-	#DIV/0!	
16	GARBAGE/TRASH	6,800.00	6,950.00	150.00	2.21%	
17	SEWER	50,000.00	51,000.00	1,000.00	2.00%	
18	OTHER UTILITIES	-	-	-	#DIV/0!	
19	TOTAL UTILITIES	76,800.00	78,350.00	1,550.00	2.02%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	-	-	-	#DIV/0!	
21	FRINGE BENEFITS	-	-	-	#DIV/0!	
22	UNIFORMS	-	-	-	#DIV/0!	
23	VEHICLE GAS, OIL	-	-	-	#DIV/0!	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - PLANADA MIGRANT CENTER - 72 UNITS
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET 2017-2018 MIG - PLAN	BUDGET 2018-2019 MIG - PLAN	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	3,550.00	3,550.00	-	0.00%	
25	CONTRACT COSTS	-	-	-	#DIV/0!	
26	TOTAL MAINTENANCE AND OPERATIONS	3,550.00	3,550.00	-	0.00%	
	GENERAL EXPENSE					
27	INSURANCE	5,500.00	5,500.00	-	0.00%	
28	P.I.L.O.T.	-	-	-	#DIV/0!	
29	BAD DEBT EXPENSE	-	-	-	#DIV/0!	
30	OPEB EXPENSE	-	-	-	#DIV/0!	
31	OTHER GENERAL EXPENSE	-	-	-	#DIV/0!	
32	TOTAL GENERAL EXPENSE	5,500.00	5,500.00	-	0.00%	
	FINANCING EXPENSES					
33	DEBT SERVICE & REPLACEMENT RES	108,958.00	108,958.00	-	0.00%	
34	TOTAL NON-OPERATING ITEMS	108,958.00	108,958.00	-	0.00%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	-	-	-	#DIV/0!	
36	TOTAL NON-OPERATING ITEMS	-	-	-	#DIV/0!	
35	TOTAL EXPENSES	353,924.00	351,034.00	(2,890.00)	-0.82%	
36	GAIN OR LOSS	-	-	-	#DIV/0!	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - MIGRANT MERCED - 49 UNITS
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET 2017-2018 MIG - MER	BUDGET 2018-2019 MIG - MER	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	-	-	-	#DIV/0!	
2	GRANT INCOME	287,985.00	294,859.00	6,874.00	2.39%	
3	OTHER INCOME	-	-	-	#DIV/0!	
4	TOTAL REVENUES	287,985.00	294,859.00	6,874.00	2.39%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	87,930.00	87,930.00	-	0.00%	
6	FRINGE BENEFITS	55,780.00	56,600.00	820.00	1.47%	
7	LEGAL EXPENSE	-	-	-	#DIV/0!	
8	MANAGEMENT FEES	28,851.00	26,805.00	(2,046.00)	-7.09%	
9	BOOKKEEPING FEES	-	-	-	#DIV/0!	
10	ASSET MANAGEMENT FEES	-	-	-	#DIV/0!	
11	OTHER ADMIN EXPENSES	13,730.00	10,730.00	(3,000.00)	-21.85%	
12	TOTAL ADMINISTRATIVE EXPENSES	186,291.00	182,065.00	(4,226.00)	-2.27%	
	UTILITIES					
13	WATER	-	-	-	#DIV/0!	
14	ELECTRICITY	40,000.00	40,800.00	800.00	2.00%	
15	GAS	-	-	-	#DIV/0!	
16	GARBAGE/TRASH	5,000.00	5,100.00	100.00	2.00%	
17	SEWER	9,000.00	9,200.00	200.00	2.22%	
18	OTHER UTILITIES	-	-	-	#DIV/0!	
19	TOTAL UTILITIES	54,000.00	55,100.00	1,100.00	2.04%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	-	-	-	#DIV/0!	
21	FRINGE BENEFITS	-	-	-	#DIV/0!	
22	UNIFORMS	-	-	-	#DIV/0!	
23	VEHICLE GAS, OIL	-	-	-	#DIV/0!	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - MIGRANT MERCED - 49 UNITS
 2017-2018 VS. 2018-2019

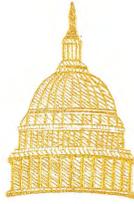
LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. %	COMMENTS
		2017-2018 MIG - MER	2018-2019 MIG - MER	BUDGET DIFFERENCE		
24	MATERIALS	5,250.00	5,250.00	-	0.00%	
25	CONTRACT COSTS	-	-	-	#DIV/0!	
26	TOTAL MAINTENANCE AND OPERATIONS	5,250.00	5,250.00	-	0.00%	
	GENERAL EXPENSE					
27	INSURANCE	1,000.00	11,000.00	10,000.00	1000.00%	
28	P.I.L.O.T.	-	-	-	#DIV/0!	
29	BAD DEBT EXPENSE	-	-	-	#DIV/0!	
30	OPEB EXPENSE	-	-	-	#DIV/0!	
31	OTHER GENERAL EXPENSE	-	-	-	#DIV/0!	
32	TOTAL GENERAL EXPENSE	1,000.00	11,000.00	10,000.00	1000.00%	
	FINANCING EXPENSES					
33	DEBT SERVICE AND REPLACEMENT RES	41,444.00	41,444.00	-	0.00%	
34	TOTAL NON-OPERATING ITEMS	41,444.00	41,444.00	-	0.00%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	-	-	-	#DIV/0!	
36	TOTAL NON-OPERATING ITEMS	-	-	-	#DIV/0!	
35	TOTAL EXPENSES	287,985.00	294,859.00	6,874.00	2.39%	
36	GAIN OR LOSS	-	-	-	#DIV/0!	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - **MIGRANT TOTAL - 228 UNITS**
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET 2017-2018 MIGRANT	BUDGET 2018-2019 MIGRANT	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
	REVENUES					
1	TENANT INCOME	-	-	-	0.00%	
2	GRANT INCOME	1,151,233.00	1,154,596.00	3,363.00	0.29%	
3	OTHER INCOME	-	-	-	0.00%	
4	TOTAL REVENUES	1,151,233.00	1,154,596.00	3,363.00	0.29%	
	EXPENSES					
	ADMINISTRATIVE					
5	SALARIES AND WAGES	340,249.00	340,249.00	-	0.00%	
6	FRINGE BENEFITS	189,430.00	193,090.00	3,660.00	1.93%	
7	LEGAL EXPENSE	-	-	-	0.00%	
8	MANAGEMENT FEES	111,023.00	105,426.00	(5,597.00)	-5.04%	
9	BOOKKEEPING FEES	-	-	-	0.00%	
10	ASSET MANAGEMENT FEES	-	-	-	0.00%	
11	OTHER ADMIN EXPENSES	42,399.00	37,249.00	(5,150.00)	-12.15%	
12	TOTAL ADMINISTRATIVE EXPENSES	683,101.00	676,014.00	(7,087.00)	-1.04%	
	UTILITIES					
13	WATER	-	-	-	0.00%	
14	ELECTRICITY	144,000.00	147,100.00	3,100.00	2.15%	
15	GAS	-	-	-	0.00%	
16	GARBAGE/TRASH	29,800.00	30,430.00	630.00	2.11%	
17	SEWER	75,200.00	77,520.00	2,320.00	3.09%	
18	OTHER UTILITIES	-	-	-	0.00%	
19	TOTAL UTILITIES	249,000.00	255,050.00	6,050.00	2.43%	
	MAINTENANCE AND OPERATIONS					
20	SALARIES AND WAGES	-	-	-	0.00%	
21	FRINGE BENEFITS	-	-	-	0.00%	
22	UNIFORMS	-	-	-	0.00%	
23	VEHICLE GAS, OIL	2,500.00	2,500.00	-	0.00%	

HOUSING AUTHORITY OF THE COUNTY OF MERCED
 BUDGET COMPARISON - MIGRANT TOTAL - 228 UNITS
 2017-2018 VS. 2018-2019

LINE #	ITEM	BUDGET 2017-2018 MIGRANT	BUDGET 2018-2019 MIGRANT	BUDGET VS. BUDGET DIFFERENCE	DIFF. %	COMMENTS
24	MATERIALS	46,730.00	41,130.00	(5,600.00)	-11.98%	
25	CONTRACT COSTS	-	-	-	0.00%	
26	TOTAL MAINTENANCE AND OPERATIONS	49,230.00	43,630.00	(5,600.00)	-11.38%	
	GENERAL EXPENSE					
27	INSURANCE	19,500.00	29,500.00	10,000.00	0.00%	
28	P.I.L.O.T.	-	-	-	0.00%	
29	BAD DEBT EXPENSE	-	-	-	0.00%	
30	OPEB EXPENSE	-	-	-	0.00%	
31	OTHER GENERAL EXPENSE	-	-	-	0.00%	
32	TOTAL GENERAL EXPENSE	19,500.00	29,500.00	10,000.00	0.00%	
	FINANCING EXPENSES					
33	DEBT SERVICE AND REPLACEMENT RES	150,402.00	150,402.00	-	0.00%	
34	TOTAL NON-OPERATING ITEMS	150,402.00	150,402.00	-	0.00%	
	NON-OPERATING ITEMS					
35	DEPRECIATION	-	-	-	0.00%	
36	TOTAL NON-OPERATING ITEMS	-	-	-	0.00%	
35	TOTAL EXPENSES	1,151,233.00	1,154,596.00	3,363.00	0.29%	
36	GAIN OR LOSS	-	-	-	0.00%	



HOUSE OF REPRESENTATIVES
WASHINGTON, D. C.

JIM COSTA
16TH DISTRICT
CALIFORNIA

June 8, 2018

Ms. Rosa Vazquez
Housing Authority of the County of Merced
405 U Street
Merced, CA 95341

Dear Ms. Vazquez,

Thank you for your attendance and participation in the Housing Roundtable at Merced College on Friday, June 1, 2018. Your input and unique expertise plays an important role in contributing to the improvement of our communities and furthering economic growth in Merced County.

As you know, the purpose behind this event was for a diverse panel to discuss homeownership and how we can work together to assist more in Merced County to purchase a home. Our meeting was a successful first step in connecting community leaders who may not have otherwise communicated on this important issue.

Again, thank you. I hope you will consider attending the follow-up meeting I plan to host soon. If you need anything from me in the meantime, please do not hesitate to contact me or my staff.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Costa", written over a faint blue outline of the state of California.

JIM COSTA
Member of Congress

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Rosa Vazquez, Executive Director

DATE: July 17, 2018

SUBJECT: Recommendation to adopt **Resolution No. 2018-16**, approving the Annual Plan FY 2018 for submission to HUD.

The Quality Housing and Work Responsibility Act of 1998 requires local Housing Authorities to prepare and submit to the U.S. Department of Housing and Urban Development (HUD) a Five Year Plan every fifth year and an Annual Plan every year.

The Housing Authority of the County of Merced (Authority) Five Year Plan covers fiscal years 2015 – 2020 was approved by the Board and HUD in the last submission cycle. This Annual Plan covers fiscal year 2018 – 2019.

The Authority Plan must be adopted by the Authority Board of Commissioners after input by assistance housing residents and the general public during a forty-five (45) day comment period.

The HACM staff advertised the proposed 2018 – 2019 Annual Plan by posting a public notice in the Merced Sun Star. The notice started the forty-five (45) day public comment period.

RECOMMENDATION

I recommend that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2018-16**, approving the Annual Plan FY 2018 for submission to HUD.

RESOLUTION NO. 2018-16

**APPROVING THE PHA ANNUAL PLAN
FY 2018 FOR SUBMISSION TO HUD**

WHEREAS, the Quality Housing and Work Responsibility Act of 1998 requires local Housing Authorities to prepare and submit to the U.S. Department of Housing and Urban Development (HUD) a Five Year Plan every fifth year, and Annual Plan every year ; and

WHEREAS, the HACM Five Year Plan, which covers fiscal years 2015-2020 was approved by the Board and HUD, this Annual Plan covers fiscal year 2018-2019; and

WHEREAS, the Plan is in full compliance with HUD regulations, will be on display for a period of 45 days for public review and comment commencing on May 23, 2018, and the required Public Hearing was held during a Board meeting July 5, 2018; and

WHEREAS, the Plan is consistent with the Consolidated Plans of the City of Merced and the State of California,

THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the County of Merced do hereby approve the Fiscal Year 2018 Annual Plan for submission to HUD.

The foregoing resolution was introduced at the July 17, 2018 Board meeting of the Board of Commissioners of the Housing Authority of the County of Merced and adopted by the following vote:

Motion:

Second:

Ayes:

Noes:

Absent:

Abstain:

Chairperson, Board of Commissioners
Housing Authority of the County of Merced

Dated July 17, 2018

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Rosa Vazquez, Executive Director

DATE: July 17, 2018

SUBJECT: Recommendation to adopt **Resolution No. 2018-17**, approving the revision of the Public Housing Admissions and Continued Occupancy Policy (ACOP).

The Housing Authority of the County of Merced recognizes the need to review and update its policies to ensure that they are compliant with HUD Regulations and current practice.

At this time, it is necessary to revise all of the Admissions and Occupancy Policy (ACOP). The revisions are needed in order to be consistent and compliant with the HUD 24 CFR language and current practice.

RECOMMENDATION

I recommend that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2018-17**, approving the revision of the Public Housing Admissions and Continued Occupancy Policy (ACOP).

RESOLUTION NO. 2018-17

**APPROVING THE REVISIONS OF THE
ADMISSIONS AND CONTINUED OCCUPANCY POLICY (ACOP)**

WHEREAS, it is necessary from time to time to revise the Admissions and Continued Occupancy Policy (ACOP) for the Public Housing Program; and

WHEREAS, the Public Housing Admissions and Continued Occupancy Policy (ACOP) revisions are necessary because of regulation, policy, and procedure changes in the Program and/or local housing needs changing; at this time it is necessary to revise the entire Public Housing Admissions and Continued Occupancy Policy (ACOP); and

WHEREAS, the changes will ensure that the Housing Authority is compliant with current HUD regulations and has acted responsibly in its administration of the Public Housing Program,

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the County of Merced does approve the attached revisions of the Public Housing Admissions and Continued Occupancy Policy (ACOP).

The foregoing resolution was introduced at the July 17, 2018 Board meeting of the Board of Commissioners of the Housing Authority of the County of Merced and adopted by the following vote:

Motion:

Second:

Ayes:

Nays:

Absent:

Abstain:

Chairperson, Board of Commissioners
Housing Authority of the County of Merced

Dated: July 17, 2018

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Rosa Vazquez, Executive Director

DATE: July 17, 2018

SUBJECT: Recommendation to adopt **Resolution No. 2018-18**, Approving Revisions to the Housing Choice Voucher Administrative Plan.

The Housing Authority of the County of Merced recognizes the need to review and update its policies to ensure that they are compliant with HUD Regulations and current practice.

At this time, it is necessary to revise all of the Housing Choice Voucher Administrative Plan.

RECOMMENDATION

I recommend that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2018-18**, approving the revisions to the HCV Administrative Plan.

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: Rosa Vazquez, Executive Director

DATE: July 17, 2018

SUBJECT: Recommendation to adopt **Resolution No. 2018-19** approving updating the Housing Authority of the County of Merced Communications Policy.

The Housing Authority of the County of Merced (Authority) currently has a Communications & Cell Phone Policy which was approved via Resolution No. 2007-05. This policy outlines a level of accountability for Authority-issued electronic communication devices both from a use and maintenance perspective, procedures pertaining to allowance in-lieu-of Authority-issued equipment, violations of this policy will be subject to disciplinary action and use of personal electronic devices. Prior to the development of the current policy, the Authority had a policy regarding employee radio protocol and an original computer etiquette guidelines sheet dated 1996.

In an effort to have a single more complete all-inclusive Communications Policy, the Authority reviewed the current policies and merged them to include all communications. These communications include but are not limited to, cellular phones, office phones, email, voicemail, and internet use.

This new policy provides a clear outline of approved use of all communications and communications devices, as well as the required etiquette. The Authority provided the policy draft to the Union on June 12, 2018, for review. There being no comments, concerns, or suggestions the Authority now encloses for Board review and subsequent approval, the proposed revised Communications Policy.

RECOMMENDATION

It is hereby recommended that the Board of Commissioners of the Housing Authority of the County of Merced adopt **Resolution No. 2018-09**, approving updating the Housing Authority of the County of Merced Communications Policy.



HOUSING
AUTHORITY OF THE
COUNTY OF MERCED

COMMUNICATIONS POLICY

I. PURPOSE

At the Housing Authority of the County of Merced (Authority), communication plays an essential role in the conduct of our business. How you communicate with people not only reflects on you as an individual but also on us as an organization. The Authority values your ability to communicate with staff members, clients/customers, business contacts, and has invested substantially in information technology and communications systems which enable you to work more efficiently.

This policy applies to all individuals working for the Authority who use the communications facilities, whether directors, supervisors, managers, full-time, part-time or fixed-term staff members, trainees, or temporary staff.

Directors, managers, and/or supervisors are responsible for ensuring that existing and new staff members are made aware of the content of this policy and for monitoring compliance with it.

II. ELECTRONIC MAIL

Electronic mail (email) is a frequently used and preferred communication tool. Used properly, email improves productivity and allows Housing Authority of the County of Merced (Authority) staff members to work more efficiently. Improper use of email can create more work or lead to confusion. This policy describes the responsibilities of Authority staff members for adhering to proper email best practices.

Authority staff members will write emails that are professional, effective, and efficient.

All Authority email is subject to Freedom of Information Act (FOIA) requests.

This policy serves as a guideline for communicating via email so that both those sending and receiving emails achieve the maximum benefit and covers email being sent from and to all personal computers, servers, laptops, tablets, mobile phones, digital scanners, and any other devices or resources capable of sending or receiving email.

This policy establishes effective, uniform, and consistent email practices for Authority staff and standardizes procedures for email correspondence. All email is subject to the ownership, retention, monitoring, accountability, security procedures and ethical behavior.

Responsibilities

It is the responsibility of the Authority staff member to use the Authority's email function appropriately and professionally. It is the responsibility of the Director in

each department throughout the Authority to ensure staff members are held accountable for proper email communications.

- i. All use of email must be consistent with the Authority's policies and procedures. Conduct yourself ethically and comply with all applicable laws and proper business practices. Authority email shall be used for Authority business related purposes only.
- ii. Make subject lines clear and specific. This helps recipients know quickly what the email is about. If it is an actionable item with a deadline, include that in the subject line. If you tag onto an older email, update the subject line so it reflects the new subject matter – and delete any subject matter that is no longer needed to keep the email clean and succinct. Never send a message with the subject line left blank. Extend the same courtesy when issuing calendar invitations, which should include a clear subject line and any available details on the meeting or event.
- iii. Make the email easy to read. A font size of Verdana 12 points is required for business. Fonts in black are preferred. Keep the email as short and as focused as possible. If an email must be long, consider breaking it up into sections with headers or bullets.
- iv. Be conscious of sensitive information and Personally Identifiable Information (PII). Some PII cannot be included in email.
- v. Remember that email is not private. Choose your words carefully. Keep this in mind, especially when the topic is sensitive, emotional, or controversial. Email is considered property of the Authority and can be forwarded and retrieved even after it has been deleted. Your internal and external emails can show up in the press and/or be subpoenaed in investigations. All email sent via Authority-owned channels may be monitored by the Authority without prior notice.
- vi. Be careful with Carbon Copy (cc) Blind Carbon Copy (bcc), Reply to All, and using the high priority option. The "To:" field is for those you want a response from.
- vii. The "Cc:" field is for those you want to keep in the loop. Only include someone on the Cc: field if the person is involved with the topic.
- viii. "BCC:" shall not be used. Individuals included in the BCC field are not visible to recipients, and using BCC does not ensure transparency and accountability. If you need to include a staff person in the email, do it in full view, by using the CC field.
- ix. Only "reply to all" if it is essential that all recipients see the response. This includes the messages to say, "Thanks!" and "Please don't reply to all."
- x. Only mark your message as "high priority" when it truly is.
- xi. Respond to emails promptly and reply with complete responses. Emails should be acknowledged within 2 hours. The 2 hour 'rule' applies to acknowledging receipt of the email and committing to the action, not to

completing the required action. If you're answering someone's questions, consider numbering or bulleting your responses to make your email easy to follow. Answer all questions fully to avoid a lot of back and forth emails. If you cannot reply in full in a timely manner, let the sender know when he or she can expect a full reply. Ensure you follow-up or delegate the response to someone else if you can't reply. If the answer(s) is too complex for email, schedule a meeting with the individual(s).

- xii. Review and reply to the most recent email. Review all new emails before firing off responses. This helps keep the email communication in a logical sequence. It also allows you to keep only the last email that includes everyone's comments, rather than having to keep each individual response.
- xiii. Proof the email. Proof the email for spelling and other errors, and check to make sure links are working before you hit the Send button. Activate the automatic spell-check option for your emails. Check that your message is as clear, complete, and professional as possible to avoid misunderstandings or other problems. Check that you have included the appropriate people on the email. Ensure all attachments are attached.
- xiv. Be aware of your virtual tone. Remember that the recipient of your email can't see or hear you. Check that your tone won't be perceived as aggressive or offensive. Avoid writing with all capitals or an unusually large font size, as it may be perceived that you are shouting at the email recipient.
- xv. Err on the side of formality. In a first email exchange, both sender and respondent should include a salutation and a signoff. Do not send emails with text all in lowercase; this looks unprofessional. Do not send emails with text all in uppercase or capital letters; this can be interpreted as shouting.
- xvi. Don't hide behind email. Sometimes personal contact is better than email for certain topics. If you are discussing sensitive information or find that you are emailing back and forth for too long, a telephone or in-person conversation is better. Some matters are complex or sensitive and require direct in-person discussions for the most effective results.
- xvii. Don't respond to an email if you are angry or frustrated. It's better to cool down and think things through first. Consider calling or visiting with the person to discuss the matter rather than sending back a reply. Once the email is sent it cannot easily be taken back. Remember, if you are communicating with the public, you are representing Authority. Your email may be the recipients only "face" to the Authority.
- xviii. Include an auto signature. Include your full name, title, office, contact information and the confidentiality notice at the bottom of your email. A concise auto signature is helpful and makes it easier for the recipient to respond. Avoid graphic or attached signatures as they consume valuable

storage space and can make your message look like it has a potentially important attachment. Limit use of information (quotes/phrases) below the signature line.

- xix. Set an Out-of-Office message when you are unavailable. Alert others to your absence with an automatic note so they aren't waiting for a response from you. Include information on when you will return and the name of someone who may be able to provide assistance in your absence. Remember to remove the automatic notification when you return to the office.
- xx. Do not forward jokes and chain letters. Excessive jokes and chain letters fill up mailboxes. These emails use up valuable system resources, distract people from their work, and sometimes can propagate malicious emails and viruses.
- xxi. Do not send large attachments whenever possible. Avoid sending files or graphics larger than 1MB that can clog up recipients' mailboxes and slow down the Authority email system.
- xxii. Do not use unnecessary graphics or colors in your email. It is fine to highlight certain parts of an email for emphasis, but don't overdo it. Using too many different fonts and colors makes the email hard to read. Don't overuse non-standard fonts, small fonts, or background images. Avoid using email background colors or templates, which use more storage space and often make reading difficult.
- xxiii. Do not use a "read receipt" for every message you send. This may become annoying or offensive to others.
- xxiv. Do not use email system for the creation or distribution of any disruptive or offensive messages. These include but are not limited to offensive comments about race, gender, disabilities, age, sexual orientation, pornography, religious beliefs and practice, political beliefs, or national origin. Authority staff who receives emails with this content must report the matter to their Department Director immediately. Unlawful messages, such as copyright infringing emails, are also prohibited.

III. CELLULAR/WIRELESS DEVICES

Staff members of the Authority are to be efficient, economical, and ethical in the use and management of Authority resources. The Authority provides cellular/wireless communication devices (cellphones) to improve productivity.

Responsibilities

It is the responsibility of the Authority staff member to use the Authority's cellphone appropriately and professionally. It is the responsibility of the Director in each department throughout the Authority to ensure staff members are held accountable for proper mobile communications.

The devices shall not be used to defame, harass, threaten, or transmit obscene, suggestive or offensive messages or communications, political endorsements or activities, or engage in any illegal activity.

- i. Staff members with Authority assigned cellphones are required to use the devices for Authority business only, except in the event of an emergency.
- ii. Individuals to whom cellphones are assigned are responsible for the security and maintenance of the phones and must promptly report any damage, theft or loss to the appropriate Director.
- iii. All Authority owned devices shall be returned to the Authority when the need for such devices no longer exists or when the staff member separates from employment.
- iv. Utilizing a hand-held cellphone while operating a motor vehicle is unlawful in the state of California and is a violation of the Authority's policy. This includes but is not limited to talking, texting, photographing, etc. Staff members are solely responsible for any fine or other penalty incurred for breaching the legislation of using a mobile phone or "hands free" device while driving an Authority vehicle or while on Authority business.
- v. Personal cellphone calls shall be made during recognized break times thus minimizing disruptions. Where this is not possible call duration must be kept to an absolute minimum.
- vi. All personal cellphones shall be set to silent or mute during work hours to minimize interruptions.
- vii. Use of photo imaging or any audio recording capabilities is strictly prohibited unless said use can be clearly linked to the conduct of authorized official Authority business and proper authorization has been received from all parties.
- viii. Text or picture images (SMS or MMS) must not contain, or have any attachments that contain: defamatory, offensive or harassing language, fraudulent material, sexually explicit images or language, material that infringes copyright or other intellectual property rights of third parties, or offensive cartoons or jokes or otherwise involve unlawful or wrongful conduct. Nor should they contain any remarks that might be potential liabilities to the Authority.
- ix. Information must never be given out over a cellphone unless it is absolutely necessary and clear who it is being given to and that they are entitled to the information. Care must be taken to ensure that conversations involving confidential and/or personal information cannot be overheard.
- x. All Authority cellphones set up with Authority email accounts and/or internet based access to Authority data must be protected with a four digit passcode.
- xi. The Executive Director and his/her designee shall review cellphone billings

to ensure compliance to this policy; monitor and review yearly cellular telephone service plans to ensure cost effectiveness; and periodically review a staff member's need for a cellphone.

- xii. All communications created or received using the Authority cellphones and all data stored on them is the property of the Authority. Staff members have no personal or property right in these communications and data and no expectation of privacy in regard to their use of Authority communication devices. Furthermore, the Authority reserves the right to access and monitor any and all communications created or received using Authority communication devices, including, but not limited to text messages, call logs, and browsing history.

IV. LANDLINES

As staff members of the Authority and public servants, Authority staff members must be responsive to the needs of the public. The public's first line of contact with the Authority is often a telephone call. All callers to the Authority telephone lines expect to be able to speak with an individual during normal business hours.

This policy is established to facilitate telephone communication with the public and among staff members as well as standardize procedures for handling the telephones. All Directors in all departments will ensure their programs/departments adhere to the established procedures.

Responsibilities

- i. Authority telephones are to be used for Authority related business only, except in the event of an emergency.
- ii. Provide live coverage for the main line Monday through Thursday between the hours of 7:30 a.m. and 5:00 p.m. and 7:30 a.m. and 4:00 p.m. alternating Fridays.
- iii. The staff member answering the telephone conducts the call in a courteous, professional and efficient manner by identifying the office and themselves.
- iv. During nonbusiness hours, all main lines shall be answered by a recording that informs them the office is closed, lists office hours and provides them the staff/extension directory.
- v. Transfer calls only after providing an explanation to the caller why the transfer is necessary.
- vi. If the call requires you to return a call at a later time inform the caller when they should be expecting the return call.
- vii. Voicemail are to be reviewed and logged twice a day. Logs must be retained for a period of 6 months.
- viii. All calls must be returned within 48 hours of receipt of call.

- ix. The Authority has the right to monitor telephone usage to determine if misuse or abuse exists.

V. INTERNET/INTRANET

The Authority trusts that staff members use the internet sensibly. Bear in mind at all times that, when visiting a website, information identifying your PC may be logged. Therefore any activity you engage in via the internet may affect the Authority.

Responsibilities

- i. The Authority recognizes the need for staff members to have to carry out some personal tasks during working hours, e.g. for internet banking or online shopping. This is permitted so long as the staff member utilizes their personal cellular phone and said business is conducted during the recognized break times and not during work hours.
- ii. Staff members are strongly discouraged from providing the Authority email address when using public websites for non-business purposes, such as online shopping.
- iii. Access to certain websites is blocked and will remain locked in order to protect and ensure system security.
- iv. Staff members must not: introduce packet-sniffing or password-detecting software; seek to gain access to restricted areas of the Authority's network; access or try to access data which you know or ought to know is confidential; intentionally or recklessly introduce any form of spyware, computer virus or other potentially malicious software; nor carry out any hacking activities
- v. Use of Authority systems to participate in any internet chat room or post messages on any external website, including any message board or blog, is not permitted.
- vi. All Authority staff shall participate and complete annual Cyber Awareness Training.

VI. SYSTEM SECURITY

Security of the Authority's IT systems is of paramount importance. We owe a duty to all of our customers/clients to ensure that all of our business transactions are kept confidential. If at any time we need to rely in court on any information which has been stored or processed using our IT systems it is essential that we are able to demonstrate the integrity of those systems. Every time you use the

system you take responsibility for the security implications of what you are doing.

Responsibilities

- i. The Authority's system or equipment must not be used in any way which may cause damage, or overloading or which may affect its performance or that of the internal or external network.
- ii. Keep all confidential information secure, use it only for the purposes intended and do not disclose it to any unauthorized third party.
- iii. Keep your system passwords safe. Do not disclose them to anyone. Those who have a legitimate reason to access other users' inboxes must be given permission from that other user. IT Support will provide guidance on how to do this. If you have disclosed your password to anyone else (e.g. in response to a request from the IT staff) ensure that you change your password once the IT staff no longer need it.
- iv. If a document is highly commercially confidential or price sensitive, you should mark it as "private and confidential" and password-protect the document itself. Bear in mind that documents which are NOT marked "private and confidential" can be accessed by all users of the network.

Copies of confidential information should be printed out only as necessary, retrieved from the printer immediately, and stored or destroyed in an appropriate manner.

- v. You should not download or install software from external sources without having first received the necessary authorization from the IT department or departmental director.
- vi. No external device or equipment, including discs and other data storage devices, should be run on or connected to Authority systems without the prior notification to and approval of the IT department or departmental director.
- vii. You should always exercise caution when opening emails from unknown external sources or where, for any reason, an email appears suspicious. The departmental director should be informed immediately in such circumstances

VII. SOCIAL MEDIA

This policy provides guidance for Authority staff members use of social media, which should be broadly understood for the purposes of this policy to include blogs, wikis, microblogs, message boards, chat rooms,

electronic news letters, online forums, social networking sites, and other sites and services that permit users to share information with others in a contemporaneous manner.

The following principles apply to professional use of the Authority as well as personal use of social media when referencing the Authority.

This policy applies to all full-time, part-time, and temporary staff as well as any trainee.

Responsibilities

- i. Staff members should be aware that the Authority may observe content and information made available by employees through social media. Employees should use their best judgement in posting material that is neither appropriate nor harmful to the Authority, its staff members, or clients.
- ii. Although not an exclusive list, some specific examples of prohibited social media conduct include posting commentary, content, or images that are defamatory, pornographic, proprietary, harassing, libelous, or that can create a hostile work environment.
- iii. Staff members are to refrain from publishing, posting or releasing any information that is considered confidential or not public.
- iv. Social media networks, blogs and other types of online content sometimes generate press and media attention or legal questions. Staff members should refer these inquiries to the Authority's authorized spokesperson.
- v. Employees should get appropriate permission before you refer to or post images of current or former employees, clients, vendors or suppliers. Additionally, staff members should get appropriate permission to use a third party's copyrights, copyrighted material, trademarks, service marks or other intellectual property.
- vi. Social media shall not interfere with staff members responsibilities at the Authority. Authority computer systems are to be used for Authority related business only. Use of social media during work hours is not permitted. This includes but is not limited to browsing, posting, etc.
- vii. Subject to applicable law, after-hours online activity that violates Authority policies may be subject to disciplinary actions.
- viii. Staff member shall keep related social media accounts separate from any Authority accounts.
- ix. Staff members shall not represent or communicate on behalf of the Authority in the public domain.
- x. Staff members shall not use the Authority logo or company

branding on any social media platform.

VIII. MONITORING OF COMMUNICATIONS

The Authority is ultimately responsible for all business communications but subject to that will, so far as possible and appropriate, respect your privacy and autonomy while working. The Authority may monitor your business communications for reasons which include but are not limited to providing evidence of business transactions; ensuring that Authority business procedures and policies are adhered to; complying with any legal obligations; monitoring standards of service, staff member performance, and for staff member training; preventing or detecting unauthorized use of Authority communications systems or criminal activities; and maintaining the effective operation of the Authority's communications systems.

- i. The Authority will monitor telephone, email and internet traffic data (i.e. sender, receiver, subject; non-business attachments to email, numbers called and duration of calls; domain names of websites visited, duration of visits, and files downloaded from the internet) at a network level (but covering both personal and business communications) for the purposes specified above. For the purposes of your maintenance of your own personal privacy, you need to be aware that such monitoring might reveal sensitive personal data about you. For example, if you regularly visit websites which detail the activities of a particular political party or religious group, then those visits might indicate your political opinions or religious beliefs. By carrying out such activities using Authority facilities you consent to our processing any sensitive personal data about you which may be revealed by such monitoring.
- ii. Sometimes it is necessary for the Authority to access your business communications during your absence, such as when you are away because you are ill or while you are on holiday. Unless your mailbox settings are such that the individuals who need to do this already have permission to view your inbox, access will be granted only with the permission of one of the persons authorized to grant such access.
- iii. Any emails sent or received through Authority systems will be treated, for the purpose of availability for monitoring, as business communications. Therefore you must remember to refrain from using Authority systems for personal use. Furthermore, there is a risk that any person authorized to access your mailbox may have their own preview pane option as a default setting, which would reveal the content of any of your personal email, whether or not

such email are marked PERSONAL. It is up to you to prevent the inadvertent disclosure of the content of personal email.

- iv. In certain very limited circumstances we may, subject to compliance with any legal requirements, access email marked PERSONAL. Examples are when we have reasonable suspicion that they may reveal evidence of unlawful activity, including instances where there may be a breach of a contract with the Authority.
- v. All incoming emails are scanned using virus-checking software. The software will also block unsolicited marketing email (spam) and email which have potentially inappropriate attachments. If there is a suspected virus in an email which has been sent to you, the sender will automatically be notified and you will receive notice that the email is not going to be delivered to you because it may contain a virus.

IX. DATA PROTECTION

As a staff member of the Authority who uses our communications facilities, you will inevitably be involved in processing personal data for the Authority as part of your job. Data protection is about the privacy of individuals, and is governed by the Data Protection Act 1998. This Act defines, among others, terms as follows:

- "*data*" generally means information which is computerised or in a structured hard copy form;
- "*personal data*" is data which can identify someone, such as a name, a job title, a photograph;
- "*processing*" is anything you do with data – just having data amounts to processing; and
- "*data controller*" is the person who controls the purposes and manner of processing of personal data – this will be [XYZ CO], in the case of personal data processed for the business.

Whenever and wherever you are processing personal data for the Authority you must keep it confidential and secure, and you must take particular care not to disclose them to any other person whether inside or outside the Authority, unless authorized to do so. Do not use any such personal data except as authorized by the Authority for the purposes of your job.

The Data Protection Act gives every individual the right to see all the information which any data controller holds about them. Bear this in mind when recording personal opinions about someone, whether in an email or otherwise. It is another reason why personal remarks and opinions must be made or given

responsibly, and they must be relevant and appropriate as well as accurate and justifiable.

For your information, section 55 of the Data Protection Act provides that it is a criminal offence to obtain or disclose personal data without the consent of the data controller. "*Obtaining*" here includes the gathering of personal data by employees at work without the authorization. You may be committing this offense if without authority of the Authority: you exceed your authority in collecting personal data; you access personal data held by the Authority; to control it or you pass them on to someone else whether inside or outside of the Authority.

While the Authority is a data controller of all personal data processed for the purposes of Authority business, you will be a data controller of all personal data processed in any personal email which you send or receive. Use for social, recreational or domestic purposes attracts a wide exemption under the Data Protection Act, but if, in breach of this policy, you are using Authority communications facilities for the purpose of a business which is not Authority business, and then you will take on extensive personal liability under the Data Protection Act.

X. COMPLIANCE

Failure to comply with this policy may result in disciplinary action being taken against you under the Authority's disciplinary procedures. If there is anything in this policy that you do not understand, please discuss it with your departmental director.

Please note that the procedures and policies outlined in this policy, and in any related policy, may be reviewed or changed at any time. You will be alerted to important changes and updates.

STAFF REPORT

TO: Board of Commissioners,
Housing Authority of the County of Merced

FROM: David. G. Ritchie, General Counsel
Ben Levine, Wulff Hansen

DATE: July 17, 2018

SUBJECT: Presentation Report on Findings and Recommendations Regarding Capital Asset Replacement, Capital Improvement Plan and Reserves Policies; Initial Report on Non-Compliant Continuing Disclosures and other Reporting Requirements; Initial Review of Two Bond Issues Qualifying for Refunding Analysis and Recommendations

RECOMMENDATION:

That the Board receive the presentation detailing certain satisfactory policies, a report on non-compliant disclosures and recommendations and a plan for achieving compliance, and a report on two bond issues of the Housing Authority and recommendation to assess those bonds for refunding.

This item is an informational item only. No Board Action is required.

RESOLUTION NO. 2018-20

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF MERCED, APPROVING A DEBT MANAGEMENT AND CONTINUING DISCLOSURE POLICY FOR THE HOUSING AUTHORITY OF THE COUNTY OF MERCED

WHEREAS, pursuant to the provisions of section 8855(i) of the California Government Code that became effective on January 1, 2017, the issuer of any proposed state or local government debt is required to adopt local debt management policies concerning the use of debt and to determine that any proposed debt issuance is consistent with those local management debt policies; and

WHEREAS, the Housing Authority of the County of Merced (the "Housing Authority") intends to issue bonds which may include refinancing bonds, and in connection therewith the Board of Commissioners would like to adopt a debt management policy for the Housing Authority;

WHEREAS, a debt management policy has been developed for the Housing Authority and the Board of Commissioners desires to adopt such policy;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF MERCED HEREBY RESOLVES AS FOLLOWS:

1. Debt Management Policy. The Debt Management Policy, in the form attached hereto as Exhibit A (the "Debt Policy"), is hereby adopted by the Board of Commissioners. The Debt Policy has been developed to provide guidance in the issuance and management of debt by the Housing Authority and is intended to comply with section 8855(i) of the California Government Code. The main objectives of the Debt Policy are to establish conditions for the use of debt, to ensure that debt capacity and affordability are adequately considered, to minimize the Housing Authority's interest and issuance costs, to maintain the highest possible credit rating, to provide complete financial disclosure and reporting and to maintain financial flexibility for the Housing Authority.
2. Official Action. The Chair, the Executive Director, the Finance Director and the Board Clerk, and any and all other officers of the Housing Authority, are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to comply with the Debt Policy adopted by this Resolution.
3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Merced at a regular meeting duly held on the 17th day of July, 2018, by the following vote:

Motion:

Second:

Ayes:

Nays:

Absent:

Abstain:

Chairperson, Board of Commissioners
Housing Authority of the County of Merced

Dated: July 17, 2018

HOUSING AUTHORITY OF THE COUNTY OF MERCED

DEBT MANAGEMENT POLICY

This Debt Management Policy (the "Debt Policy") of the Housing Authority of the County of Merced was approved by the Board of Commissioners on July 17, 2018. The Debt Policy may be amended by Board of Commissioners as it deems appropriate from time to time in the prudent management of the debt of the Housing Authority.

This Debt Policy will apply to all debt issued by the Housing Authority of the County of Merced.

The Debt Policy has been developed to provide guidance in the issuance and management of debt by the Housing Authority of the County of Merced or its related entities and is intended to comply with Government Code Section 88550, as amended, effective on January 1, 2017. The main objectives are:

- To establish conditions for the use of debt or the refinancing thereof to improve multifamily residential rental housing facilities consistent with applicable requirements of the California Health and Safety Code;
- Reference the types of debt the Housing Authority may issue
- To ensure that debt capacity and affordability are adequately considered;
- To minimize the Housing Authority's interest and issuance costs;
- To maintain the highest possible credit rating;
- Describe the Housing Authority's policy goals related to its planning goals and objectives to promote the construction and rehabilitation of affordable residential rental housing for persons and families of very low, low and moderate income;
- To provide complete financial disclosure and reporting; and
- To maintain financial flexibility for the Housing Authority.

Debt, properly issued and managed, is a critical element in any financial management program. It assists in the Housing Authority's effort to allocate limited resources to provide the highest quality of service to the public. The Housing Authority understands that poor debt management can have ripple effects that hurt other areas of the County. On the other hand, a properly managed debt program promotes affordable housing, economic growth and enhances the vitality of the County for its residents and businesses.

FINDINGS

This Debt Policy shall govern all debt undertaken by the Housing Authority. The Housing Authority hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the Housing Authority's sound financial position.
- Ensure the Housing Authority has the flexibility to respond to changes in future housing priorities, revenue levels, and operating expenses.
- Protect the Housing Authority's credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future participants and beneficiaries of the Housing Authority's resources.
- Ensure that the Housing Authority's debt is consistent with the Housing Authority's planning goals and objectives and capital improvement program or budget, as applicable.
- Encourage those that benefit from housing facility/improvements to pay the cost of those facility/improvements without the need for the expenditure of limited general fund resources.

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1. SUMMARY

1.1 Federal, state and local legislation authorize the issuance of mortgage revenue bonds by local governments to finance the development, acquisition, construction and rehabilitation of multifamily rental projects. The interest on the bonds can be exempt from federal and state income taxation, and provide below market rate financing for qualified projects. In addition, properly-structured tax-exempt mortgage revenue bonds can qualify projects for allocations of federal low-income housing tax credits, which may provide a significant portion of the funding necessary to develop affordable housing. The Housing Authority of the County of Merced (“Housing Authority”) has established a program (the “Program”) to issue mortgage revenue bonds and other forms of financing for qualified multifamily rental and other projects within its jurisdiction. The Housing Authority 's Program uses tax-exempt and taxable mortgage revenue bonds (including notes and other debt instruments) issued by the Housing Authority to subsidize the development of affordable rental housing within the County and to meet its other goals.

1.2 There is no direct legal liability to the County or the Housing Authority in connection with the issuance or repayment of bonds; there is no pledge of the County's or the Housing Authority's faith, credit or taxing power and the bonds do not constitute general obligations of the issuer because the security for repayment of bonds is limited to project revenue and other sources specified in the documentation for each financing. Bonds for affordable housing projects are often effectively structured as real estate loans, and the obligation to repay the bonds is secured by a first deed of trust on the bond-financed property. The Program is completely self-supporting; developers must secure funding to pay for costs of issuance of the bonds and all other costs of each financing.

1.3 Bonds issued under the Program should generally be privately placed with a financial institution, or, with limited exceptions, publicly issued with a minimum rating of “A”, or its equivalent, by one or more of the nationally recognized rating agencies listed in Section 4.1. Proceeds of the bonds may be used for both costs of construction or rehabilitation and permanent financing. The effective mortgage rate is the aggregate of the applicable bond rate and the add-on fees charged under the program, such as lender, trustee, issuer’s fee, etc. The bond rate, for fixed rate bonds, is determined at the time of a bond sale and the resulting mortgage rate is typically below conventional mortgage rates. The project loans generally have a 30-year amortization schedule although the bond maturity may be shorter.

1.4 The goals of the Program include: increase and preserve the supply of affordable rental housing; encourage economic integration within residential communities; maintain a quality living environment for residents of assisted projects and surrounding properties; and, in the event of provision of public funds towards the project, optimize the effectiveness of Housing Authority, or other public funding by maximizing the leveraging of private sector funds.

1.5 The bond issuance and related loan amount for individual projects is based upon project costs, interest rates, revenues available to pay debt service, and the appraised value of the

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project being financed. The Housing Authority will consider multiple properties as part of a single bond financing on a case by case basis. If a tax-exempt financing is involved, bond and related loan amounts will be subject to the procedures of the California Debt Limit Allocation Committee (“CDLAC”), as described in Section 2.3 below.

1.6 Projects must consist of complete rental units, including kitchens and bathrooms. Bond proceeds may be used for costs of land acquisition (up to 25% of tax-exempt bond proceeds), construction, rehabilitation, improvements, architectural and engineering services, construction interest, loan fees and other capital costs of the project incurred after the date sixty days before the bond inducement date specified in Section 7.3. Tax-exempt bond proceeds cannot be used to acquire property from a party related to the buyer. No more than 2% of tax-exempt bond proceeds can be used to finance costs of issuance, such as the services of the financing team members, rating and printing of bonds, cost related to bond allocation, etc. Pursuant to federal tax-exempt bond requirements, if bonds are used for acquisition and rehabilitation, an amount equal to at least 15 percent of the portion of the acquisition cost of the building and related equipment financed with the proceeds of bonds must be used for rehabilitation of the project. The loans are assumable upon transfer of the project with the approval of the credit enhancement provider or bond purchaser, and Executive Director of the Housing Authority or designee.

1.7 The Housing Authority receives compensation for its services in preparing bond issuances by charging an up-front administrative fee payable at the bond closing. In addition, the Housing Authority also receives ongoing, annual fees for compliance monitoring of regulatory restrictions and administrative oversight of outstanding bond issues.

A. The administrative fee due on the bond closing date, is an amount equal to 25 basis points (0.25%) of the initial principal amount of bonds issued (or in the case of draw-down bonds [a bond structure with multiple draws over time]) the initial maximum authorized principal amount of bonds), not to exceed for tax-exempt bonds the amount otherwise allowed by the Internal Revenue Service (“IRS”).

B. The annual ongoing administrative fee will be an amount equal to (a) prior to conversion to permanent financing, 0.125% of the maximum authorized principal amount of the bonds as of the closing date for the bonds, and (b) after conversion to permanent financing, if applicable, 0.125% of the outstanding principal amount of the bonds immediately after conversion to permanent financing; however, the annual ongoing fee in any event will not be less than \$10,000. The annual fee will be charged each year during the compliance period under the Bond Regulatory Agreement for the project (see Section 3.1), to recover administrative and monitoring costs of the Housing Authority, which will be charged to all projects for such compliance period, including projects where bonds are fully repaid prior to the end of the compliance period. The ongoing annual fee will be due and payable without the requirement for any invoice to be delivered to the project owner, on the first day of the month in which the anniversary of the bond closing occurs based on the facts in existence as of such first day of such month.

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C. The annual ongoing administrative fee will remain fixed based on using the principal amount of bonds outstanding at permanent financing conversion regardless of any later reductions of the outstanding principal of the bonds.

D. Additional monitoring fees may be charged for monitoring affordable housing units governed by regulatory agreements in addition to the Bond Regulatory Agreement, or for projects with more than 50 units.

E. At the time of the application, the project proponent must pay a \$3,000 non-refundable application fee to the Housing Authority.

1.8 Due to IRS limitations applicable to fees charged by issuers of tax-exempt bonds where the bond purchaser and the tax credit investor are the same or related entities, the Housing Authority will not issue bonds for projects where the tax credit investor is also the same or a related entity to the bond purchaser. Exceptions may be granted on a case-by-case basis, in the discretion of the Housing Authority's Executive Director or designee.

1.9 To the extent that contractors will be providing services on behalf of a project proponent or a project owner related to the requirements of these Policies, the project proponent or project owner, as applicable, shall provide the Housing Authority with a written statement describing their relationship with the contractor and any rights the contractor has to income and obligations generated from any proposed bond issuance activity.

2. TYPES OF BONDS

2.1 The Housing Authority may issue any qualified form of debt authorized for housing authorities in either tax-exempt or taxable bonds (which include short term notes or other debt instruments including leases and loans), or both. Taxable bonds would generally be issued only in combination with tax-exempt bonds. Taxable bonds do not require an allocation of tax-exempt bond authority from CDLAC but still require compliance with State law requirements governing the Housing Authority's ability to issue bonds.

The Housing Authority may from time to time find that specific forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

To maintain a predictable debt service burden, the Housing Authority will give preference to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is variable rate debt. The Housing Authority may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of securities. When making the determination to issue bonds in a variable rate mode, consideration will be given in regards to the useful life of the project or facility being financed or the term of the project requiring the funding,

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market conditions, credit risk and third-party risk analysis, and the overall debt portfolio structure when issuing variable rate debt for any purpose. The maximum amount of variable-rate debt should be limited to no more than 20 percent of the total debt portfolio.

2.2 The interest paid on taxable bonds is not exempt from federal taxation. These bonds are not subject to federal volume “cap” limitations and therefore do not require allocation authority from CDLAC. Taxable bond issues must meet all applicable requirements of this Policy (including rating requirements), State law requirements and any additional regulations that may be promulgated, from time to time, by the Housing Authority.

2.3 Bond interest on which is tax-exempt under federal tax law (other than refunding bonds and 501(c)(3) bonds described below), require an allocation of bond authority from CDLAC. To obtain the allocation, the Housing Authority must submit an application to CDLAC on behalf of the project proponent. Submittal of the application is at the discretion of the Housing Authority, not the project proponent. The project proponent must provide all deposits and pay all fees required by CDLAC when due.

2.4 The Housing Authority may issue bonds described in section 145©of the federal tax code on behalf of qualified nonprofit organizations. The interest on these 501(c)(3) bonds is tax-exempt and these bonds do not require an allocation from CDLAC, but cannot be used with the Low Income Housing Tax Credit Program.

2.5 The Housing Authority will consider the issuance of bonds to refund outstanding bonds subject to the following conditions:

A. The project proponent agrees to cover all costs of the issuer, including costs for the issuer's municipal advisor, bond counsel, and trustee (if applicable).

B. The affordability restrictions of the existing bond regulatory agreement are subject to extension. The Housing Authority reserves the right to impose additional requirements on a case by case basis. All specifics of refunding proposals must be approved by the Housing Authority.

C. The provisions of Section 52080(g) of the California Health and Safety Code shall apply to projects financed under the Program, which requires that low-income units remain affordable, except in certain circumstances, until thirty (30) years after the commencement of the qualified project period (as referred to therein).

D. Except in limited circumstances, the provisions of Sections 65863.10 and 65863.11 of the California Government Code shall apply to projects financed under the Program, and project proponents are advised to review the requirements of such Sections.

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E. Default refunding applications require a default refunding analysis (to determine the eligibility for a default refunding). The Housing Authority shall choose the firm to conduct the analysis. The project applicant will deposit the cost for the study with the Housing Authority before the study begins.

F. Periodic reviews of outstanding long-term debt will be undertaken to identify refunding opportunities. Refunding will be considered (within federal tax law constraints, if applicable) if and when there is a net economic benefit of the refunding. Refundings which are non-economic may be undertaken to achieve Housing Authority objectives relating to changes in covenants, call provisions, operational flexibility, tax status of the issuer, or the debt service profile.

In general, refunding transactions that produce a net present value savings of at least three percent (3%) of the refunded debt will be considered economically viable. Refundings which produce a net present value savings of less than three percent (3%) or negative savings will be considered on a case-by-case basis, and are subject to Board of Commissioners approval.

2.6 Bonds for projects are intended to be non-recourse conduit financing in which none of the Housing Authority or the County will be responsible for the repayment of the debt. The Housing Authority's own capital improvement plans and budgets should not be impacted by the bond financing of projects.

3. AFFORDABILITY REQUIREMENTS

3.1 Term of Rental and Affordability Restrictions – The project must remain as rental housing and continuously meet the affordability requirements as provided in Sections 3.2, 3.3 and 3.4 for the longer of (a) the Qualified Project Period (as defined in Internal Revenue Code of 1986), (b) as long as the bonds remain outstanding, (c) such period as may be required in the opinion of Bond Counsel to satisfy applicable federal or State law, or (d) such period as may be required by CDLAC (typically 55 years). Additional affordability may be required as described in 2.5(C) above. The rent of “in-place” tenants at the conclusion of the required affordability period will continue to be governed by the applicable affordability restriction, so long as those tenants continue to live in the development. The Housing Authority reserves the right to impose additional affordability restrictions.

A Bond Regulatory Agreement containing the rental and affordability restrictions will be recorded against the project property and must be complied with by subsequent owners. The Bond Regulatory Agreement may be terminated upon expiration of restrictions or in the event of casualty loss or foreclosure, and the subsequent retirement of bonds as a result of foreclosure.

State law requires advance notice and other requirements upon termination of affordability requirements, some of which also place restrictions on the sale of previously affordable housing projects, pursuant to the provisions described in 2.5(D) above.

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3.2 Income Restrictions – To be eligible for tax-exempt bond financing, federal law requires that the project meet one of the following conditions:

A. A minimum of 20% of the units in the project must be set aside for occupancy by households whose incomes do not exceed 50% of area median income, as adjusted for family size; or

B. A minimum of 40% of the units in the project must be set aside for occupancy by households whose incomes do not exceed 60% of area median income, as adjusted by family size.

In any event, State law requires that a minimum of 10% of the units in the project be set aside for occupancy by households whose incomes do not exceed 50% of area median income, as adjusted for family size, at specified rent levels.

Project owners must certify their tenant’s eligibility semi-annually or as otherwise required by the Housing Authority in the applicable Bond Regulatory Agreement. If a tenant is no longer eligible, the next available unit in the project (if federal tax credits apply to the project, in the building in which the unit was located) must be rented to a new eligible tenant and the current tenant’s rent can be raised to a market level. A unit occupied only by full time students does not count towards the very low and low-income unit set-aside requirements.

Affordability definitions are based on the area median income for the County of Merced as established by the US Department of Housing and Urban Development. The median income is subject to change annually. Household size is determined under Section 34312.3(c)(1)(B) and (c)(2)(B) of the California Health and Safety Code consistent with Section 42(g)(2)(C) of the Internal Revenue Code. Section 42(g)(2)(C) requires that, in calculating rents, occupancy of units is assumed to be one person per studio unit, and for each other unit with one or more separate bedrooms, 1.5 individuals for each separate bedroom.

3.3 Rent Restrictions – The maximum rent for the affordable set-aside units shall not exceed 30% of one-twelfth of 50% of area median income, or 30% of one-twelfth of 60% of area median income (as the case may be, depending on the selected set-aside). The maximum rent amounts are further reduced by a utility allowance for tenant-paid utilities in the amounts determined by the Housing Authority’s Executive Director or designee. In the event tax-exempt bonds are used with Low Income Housing Tax Credits, or any other public funds, the most restrictive rents of the applicable programs shall apply. The affordability of restricted units in relation to the project’s market rents will be considered as part of the Housing Authority’s approval of the financing. The maximum rent amounts will also apply if the set-aside units are occupied by Section 8 tenants (tenant-based vouchers).

In calculating restricted rents, household size/occupancy shall be as described in the last paragraph of Section 3.2 above.

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3.4 Unit Distribution – The set-aside units must proportionately reflect the mix of all units in the project, be distributed throughout the project and have the same floor area, amenities, and access to project facilities as market-rate units. The objective of the program is to provide a set-aside of units with lower rents, not to create special “low-income sections” within larger developments.

3.5 Additional Affordability Restrictions under Restructuring of Existing Bond Issues– Additional public benefit in the form of deeper income targeting; additional rent restrictions; extension of the term of restrictions; additional number of restricted units; or any combination thereof, will be negotiated in connection with refundings or debt restructurings of existing bond issues. The level of additional restrictions will be determined in the context of the overall financial feasibility of each financing. Should the bond restructuring result in an extension of the maturity of the bonds, a minimum of 10% of the units in the project will be set aside for occupancy by households whose incomes do not exceed 50% of area median income, as adjusted for family size, with rents set at the corresponding affordability level, for the term of the restructured bond.

4. CREDIT CONSIDERATIONS

4.1 Required Rating on the Bonds – Any bonds issued under the Program that are sold to the public should generally be rated “A”, or its equivalent, or better from one or more of the following nationally recognized rating agencies: Moody's Investors Service, S&P Global Ratings, or Fitch Ratings. The same rating requirement applies in the case of a substitution of existing credit facility for bonds that are outstanding. On a case by case basis, the Housing Authority may determine, in its sole discretion and at a public hearing, that special circumstances are applicable to financing for a project, or refinancing of an existing bond issue, and it is suitable that the rating, credit enhancement or private placement requirements in Section 4 need not apply.

4.2 Credit Enhancement– A preferred way of obtaining the required rating on the bonds in accordance with Section 4.1 is through the provision of additional, outside credit support for the bond issue provided by rated, financially strong private institutions, such as government sponsored entities (including the Federal National Mortgage Association [Fannie Mae] or the Federal Home Loan Mortgage Corporation [Freddie Mac]), other government insured mortgage programs, or other qualified credit enhancement providers as long as the minimum bond rating is obtained. The rating on such bonds is determined based on the credit worthiness of the participating credit enhancement provider. The project proponent is required to identify and obtain any such credit enhancement. As the primary source of security for the repayment of bonds, the credit enhancement provider reviews and approves the borrower (credit, financial capability, experience, etc.) and the project and its feasibility, including the size of the loan and the terms of repayment, using their own underwriting criteria.

4.3 Rated Bonds Without Credit Enhancement– Fixed rate bonds can be issued without credit enhancement if the proposed financing structure results in the required minimum rating on the bonds by a rating agency as provided in Section 4.1. However, bonds issued without credit enhancement will only be sold to qualified institutional buyers (“QIBs”) as defined under Rule 144A of

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the Securities Act of 1933 and in minimum \$100,000 denominations, unless waived by the Executive Director in its sole discretion.

4.4 Privately Placed Bonds – The rating requirement specified in Section 4.1 is waived under the following conditions:

A. The bonds are privately placed with QIBs, or institutional “accredited investors,” as defined in Sections 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, or any entity in which all of the equity owners meet the requirements of at least one such subsection.

B. The bonds must be sold in minimum \$100,000 denominations.

C. All initial and subsequent purchasers (including purchasers of participation interests in the bonds) must sign a sophisticated investor letter (Investor Letter) in a form approved by the Housing Authority. While the bonds remain unrated, their transferability will be restricted to QIBs or institutional accredited investors who sign an Investor Letter.

D. Unless otherwise approved by the Housing Authority Board, the bonds may not be held at any time by more than 15 investors.

E. Upon terms acceptable to the Housing Authority, bonds may be placed in a trust or custodial arrangement with participations sold to investors.

F. The Housing Authority as issuer reserves the right to require that a trustee or fiscal agent participate in privately placed bond transactions.

The purpose of these conditions is to assure that the bonds are placed with investors who are experienced in investing in unrated municipal securities and can conduct their own analysis or real estate credit underwriting. Bond funds and affordable lending financial institutions are the types of entities this condition anticipates.

4.5 Bonds with Hedges/SWAPs. The project proponent shall disclose to the Housing Authority at the time of application of its intention to purchase an interest rate cap, hedge or swap, and such instrument shall be obtained in an arm's length transaction. Under no circumstances shall the Housing Authority be a party to such swaps or hedges.

4.6 Indemnification. The project owner shall agree to defend and indemnify the Housing Authority against liability related to the bond financing and the project and agree to reimburse the Housing Authority for all expenses incurred by the Housing Authority in issuing the bonds and monitoring the project. The Housing Authority reserves the right to require a parent company or personal guaranty of such indemnification and expense reimbursement obligations.

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5. OTHER ISSUERS

5.1 The Housing Authority, in very limited situations, will allow issuers other than the Housing Authority to issue bonds for multifamily housing projects located within the County of Merced. Any project proponent considering the use of any issuer other than the Housing Authority should contact Housing Authority staff prior to proceeding with the project. The required County approvals of bond issuances by issuers other than the Housing Authority will be recommended only if the financing proposal is part of a pooled issuance involving projects located in multiple jurisdictions and the project proponent can demonstrate that a pooled issuance is required for the projects to be financial viable. All Housing Authority affordability requirements, procedures and requirements will apply to projects using “outside issuers,” including an issuance fee of 0.25 percent of the bond issuance amount to be paid to the Housing Authority upon issuance of the bonds as described in Section 1.7 above. A TEFRA hearing and approval by the Housing Authority as described in Section 7.4, on behalf of another issuer will include a provision that the owner, operator or manager of the project considered for financing by tax-exempt debt will not change without the prior approval of the Housing Authority’s Executive Director or designee. Units governed by the applicable Bond Regulatory Agreement using tax-exempt financing shall be monitored by Housing Authority staff for compliance with the terms and conditions of the applicable CDLAC resolution annually or as otherwise determined by the Housing Authority and are subject to annual Housing Authority monitoring fees in accordance with the existing Housing Authority fee schedule.

6. THE FINANCING TEAM

6.1 The Bond Counsel and Municipal Advisor specifically represent the interests and concerns of the Housing Authority in ensuring the integrity of the bond transaction. The project sponsor may, at its own expense, add additional members to the finance team to represent its interests.

6.2 The Municipal Advisor selected by the Housing Authority will be responsible for preparation of a feasibility study on whether it is economically feasible to proceed with the financing, including: evaluation of the financial strength of the project; assumptions regarding income and expenses; sources of security for bonds in addition to a mortgage on the project; the borrower’s financial situation and experience in operating and managing multifamily rental or other financing of Housing Authority projects; marketability of the bonds; rights and resources of parties to the transaction in the event of default. The municipal advisor will provide financial advice on all relevant issues to best protect the interests of the Housing Authority.

6.3 Bond Counsel selected by the Housing Authority will prepare the necessary legal documentation for the bonds, including provisions regarding compliance with any applicable continuing disclosure requirements, provide an opinion regarding the validity of the bonds and their tax exempt status (if applicable), and provide legal advice on all relevant issues to best protect the interests of the

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Housing Authority, including but not limited to the project monitoring requirements for federal and State tax law and CDLAC purposes.

6.4 Bond Underwriter/Remarketing Agent/Private Placement Purchaser -If the Housing Authority elects to sell its debt through a competitive sale, the underwriter will be selected based on the best bid as determined by the Housing Authority and its advisors. At those times that the Housing Authority decides to issue its debt through a negotiated sale, it will select one or more underwriters, lenders or placement agents to assist with the sale of the bonds. Except as provided in Section 1.8 above, the Housing Authority will not allow a bond transaction where the tax credit investor is also the bond purchaser or a related party thereto.

6.5 Any bond trustee or fiscal agent (a financial institution designated by the Housing Authority as the custodian of funds and official representative of bondholders), if required by the Housing Authority in the bond structure for the financing, will be approved by the Executive Director or designee based upon past experience, or in the absence thereof, a request for proposals process.

7. THE FINANCING PROCESS

7.1 Application – A project proponent interested in new-money financing must submit an application for bond financing, or in the case of an existing financing a request for bond refunding or restructuring, to the Housing Authority. Part of the required information is a disclosure statement, on each of the parties involved in the developer/ownership entity. Housing Authority staff will review the application for feasibility.

7.2 Deposit–At the time of the application, the project proponent must post a \$10,000 application deposit to cover the preliminary costs of the Housing Authority related to the proposed bond issuance, reissuance or restructuring. If the financing proceeds to closing, the deposit may be subject to return after the bond closing. If the bond issue does not proceed to closing, then the \$10,000 application deposit will become nonrefundable, and will be retained by the Housing Authority for payment toward the preliminary costs incurred by the Housing Authority and its consultants. The \$10,000 application deposit may be waived by the Executive Director or designee.

7.3 Inducement/Reimbursement Resolution– In conjunction with bond counsel, a bond inducement/reimbursement resolution (hereafter an “inducement resolution”) will be drafted and adopted by the Housing Authority. All new money projects must be the subject of an inducement resolution. An inducement resolution is a conditional expression of the Housing Authority's “official intent” to issue bonds for a given project and is required for tax-exempt financing under Treasury Regulation Section 1.150-2(e). Adoption of the inducement resolution establishes, through the public record, the date from which project costs incurred may be determined to be eligible for financing under the Program with proceeds of tax-exempt bonds. Therefore, applicants are encouraged to induce their

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projects as soon as practicable to clearly identify the project, its location, maximum number of units, the maximum amount of financing, and the proposed ownership entity.

A. Application to CDLAC – The inducement resolution also authorizes Housing Authority staff to submit an application to CDLAC, on behalf of the project proponent, for a private activity bond allocation if the bonds are to be tax-exempt.

B. No Binding Financial Commitment – Adoption of the inducement resolution does not represent any commitment by the Housing Authority, or the project proponent to proceed with the financing. The adoption by the Housing Authority of an inducement resolution, by itself, does not authorize any subordinate financing by the Housing Authority or any other entity of the County. The Housing Authority retains absolute discretion over the issuance of bonds through adoption of a required resolution authorizing such issuance and approving related bond documents.

C. No Land Use or Building Code Approval – Adoption of the inducement resolution shall not be construed to signify that the project complies with the planning, zoning, subdivision and building laws and ordinances of the County or other relevant agency or suggest that the Housing Authority, the County, or any officer or agent of the Housing Authority or the County will grant any such approval, consent or permit that may be required in connection with the development of a given project.

7.4 TEFRA Hearing and Approval – In order for interest on the bonds to be tax-exempt and in accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), and Section 147(f) of the Internal Revenue Code of 1986, the issuance of bonds must be approved by representatives of the governmental unit with jurisdiction over the area in which the project is located, after a public hearing for which a public notice (describing the proposed location of the project, the number of units, and proposed bond issuance amount) is given. Generally, as the legislative body for the County of Merced, the issuance of any tax-exempt bonds by the Housing Authority must be approved by the County Counsel. Similarly, if a Housing Authority project is located within another jurisdiction such as a city, the legislative body of that jurisdiction must approve the issuance of tax-exempt bonds by the Housing Authority through a similar process to that of the County (*See footnotes at the end of this Section 7 referencing applicable Sections of the California Health and Safety Code pertaining to jurisdiction of a county housing authority*). The purpose of the public hearing is to provide an opportunity for interested persons to provide their views on the proposed bond issuance and on the nature and location of the project. The TEFRA hearing will be conducted by County Counsel at the date and time specified in the TEFRA notice. The TEFRA notice shall be published in a newspaper of general circulation within the County at least 14 days in advance of the TEFRA hearing.

7.5 Bond Allocation – Prior to the issuance of tax exempt bonds (other than 501(c)(3) bonds), the Housing Authority must apply for, and receive an allocation of bond issuing authority from CDLAC. To receive such an allocation, the Housing Authority and the project proponent

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must document their readiness to proceed with the bond financing and must comply with all applicable CDLAC regulations.

7.6 Performance Deposit – At the time of the application to CDLAC, the project proponent must deposit with the Housing Authority an amount equal to one half of one percent of the requested allocation amount (or such other amount as may be required by CDLAC) as a performance deposit. The deposit will be returned to the project proponent only in accordance with CDLAC procedures; and the deposit is subject to reversion to CDLAC if the financing does not close under applicable CDLAC regulations.

7.7 Local Review– All projects must be in compliance with the County's or applicable community planning group(s) zoning requirements and adopted community plans. Prior to requesting the Housing Authority approval of a new money bond issuance, the project must undergo all planning procedures and land use approvals, including discretionary review, community planning group review, and environmental analysis, as required. All projects must be reviewed by the applicable community planning group(s) prior to final bond authorization recommendation by the Housing Authority Board of Commissioners.

7.8 Housing Authority – Final Approval. Housing Authority staff recommendations to proceed with a proposed bond issuance, reissuance, or bond restructuring will be presented for approval by the Housing Authority. If approved, staff will work with the approved financing team to structure the financing and to prepare the necessary bond documents. The resulting bond documents, authorizing resolution, staff report, and other relevant docket materials will be submitted for final approval by the Housing Authority, a minimum of four weeks prior to the Housing Authority meeting date, at which the adoption by the Housing Authority of a resolution authorizing the issuance of the bonds is to be considered.

7.9 Disclosure. It is vital that the Housing Authority take efforts to ensure that initial disclosure documents such as Official Statements and its continuing disclosure documents (discussed below) do not contain any material misstatements or omit to state information material to prospective investors in connection with their decision to purchase obligations of the Housing Authority. To ensure that these documents are accurate and comply with all applicable federal and state securities laws and promote best practices, the Housing Authority will undertake the following:

A. For all public sales of debt, the Housing Authority will retain the services of disclosure counsel (who may also serve as bond counsel) to prepare the Official Statement to be used in connection with the offering and sale of debt. Use of disclosure counsel may also be appropriate in private placements in some circumstances.

B. The Housing Authority will assemble an internal disclosure working group, which will include the Authority's Executive Director, the Finance Director, the Housing Authority Attorney and any other individuals as determined by the Housing Authority Executive Director appropriate for the transaction. The working group will review the disclosure document to ensure that it

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is accurate and does not fail to include information that such staff and officials think might be material to an investor. A Preliminary Official Statement or other appropriate disclosure document will be released to the market only after the completion of the "due diligence" meetings with appropriate staff and approval in form by the Housing Authority Counsel.

C. The Authority Executive Director shall ensure that Finance Director and other members of the disclosure working group are properly trained to understand and perform their responsibilities. Such training may include training sessions conducted by consultants with expertise in municipal securities disclosure or by attendance at conferences.

Footnote to Section 7.4 above: Sections of the California Health and Safety Code pertaining to the jurisdiction of a county housing authority.

34209. "Area of operation," in the case of a county authority includes all of the county except the area within the territorial boundaries of any city for which an authority has been authorized to transact business. Except as authorized by Section 34312.5, a county authority shall not operate in any city located in the county and in which an authority has not been authorized to transact business unless the consent of the city governing body has been obtained. If an authority of a city within a county becomes empowered to transact business and exercise its powers, a county authority empowered to transact business and exercise its powers has no power to initiate any further project or leased housing within the territorial boundaries of the city, except as provided in Section 34312.5.

34312.5. (a) An authority may provide leased housing to persons of low income throughout the county in which it operates, except:

(1) No commitment to provide leased housing outside the area of operation may be made in advance of construction without approval of the local governing body of the city or, if an unincorporated area, the county with jurisdiction of the site of construction; and

(2) Leased housing may not be provided within the area of operation of another authority if the local governing body of the other authority disapproves in advance.

(b) An authority may contract with the redevelopment agency of any city within the county to exercise its powers in the city pursuant to a contract with the redevelopment agency funded from the redevelopment agency's Low and Moderate Income Housing Fund for the purpose of increasing or improving the city's supply of low- and moderate-income housing.

8. TENANT RELOCATION

8.1 As required by CDLAC regulations (Section 5211 "Tenant Relocation") if low-income tenants will receive a rent increase exceeding five percent (5%) of their current rent, then a relocation plan is required to address economic displacement. Where applicable, the project proponent shall provide evidence that their location plan is consistent with the Uniform Relocation Assistance and Real Property Acquisition Policy Act (42 U.S.C.61).

9. PROHIBITION OF CERTAIN "SUBSTANTIAL USERS"

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9.1 The Housing Authority, in its sole and absolute discretion, reserves the right to reject and not issue bonds for proposed projects where, in the proposed financial structure, the proposed bond purchaser is the same entity or a related entity as the project owner (including, but not limited to, tax credit investor limited partners) or involves any other arrangement which may limit the Housing Authority's ability to charge administrative fees in the amounts detailed in Section 1.7 above, including but not limited to the circumstances described in Section 1.8 above.

10. POST ISSUANCE COMPLIANCE AND CONTINUING DISCLOSURE POLICY

10.1 Use of Bond Proceeds and Bond-Financed or Refinanced Assets. It is the Housing Authority's policy that the project owner shall be responsible for:

A. Monitoring the use of bond proceeds and the use of bond-financed or refinanced assets (e.g., facilities, furnishings or equipment) throughout the term of the bonds to ensure compliance with covenants and restrictions set forth in the documents relating to the bonds;

B. Maintaining records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of bonds, including a final allocation of bond proceeds;

C. Consulting with bond counsel and other legal counsel and advisers in the review of any contracts or arrangements involving use of bond-financed or refinanced assets to ensure compliance with all covenants and restrictions set forth in the documents relating to the bonds;

D. Maintaining records for any contracts or arrangements involving the use of bond-financed or refinanced assets as described in 10.2 below;

E. Conferring at least annually with personnel responsible for bond-financed or refinanced assets to identify and discuss any existing or planned use of bond-financed or refinanced assets, to ensure that those uses are consistent with all covenants and restrictions set forth in the bond documents; and

F. To the extent that the project owner discovers that any applicable tax restrictions regarding use of bond proceeds and bond-financed or refinanced assets will or may be violated, consult promptly with bond counsel and other legal counsel and advisers to determine a course of action to remediate all nonqualified bonds, if such counsel advises that a remedial action is necessary.

10.2 Continuing Disclosure. Under the Securities and Exchange Commission Rule 15c2-12, the Housing Authority is required on an ongoing basis to provide certain financial and operating data to those who own or are interested in purchasing the Housing Authority's bonds and other securities. The Housing Authority has entered into various continuing disclosure agreements and will be required to enter into them with new bond issues. The agreements require the filing of certain

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reports, either annually or more frequently, and certain notices of material events. The project owner shall be solely responsible for any and all continuing disclosures under any applicable Securities and Exchange Commission and any Municipal Securities Rulemaking Board (MSRB) rules, requirements and regulations (including but not limited to fixed rate bond issuances with Fannie Mae and/or Freddie Mac involvement). The Finance Director will be responsible for coordinating and overseeing the compilation and filing such reports and any event notices, which includes monitoring the date by which the reports must be filed, the contents that need to be included, event notices that must be filed, and the dates by which event notices are required to be filed. The Finance Director may retain a consultant to assist in meeting this obligation.

The Finance Director, directly or through its disclosure consultant, will be responsible for coordinating and monitoring timely filings by each project owner with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") web site of required reports; the filing of notices of the material events set out in the Continuing Disclosure Certificates; and the filing of any voluntary disclosures deemed material.

10.3 Internal Control Procedures. When reasonable, proceeds of debt will be held by a third-party trustee and the Housing Authority will submit written requisitions for such proceeds. The Housing Authority will submit a requisition only after obtaining the signature of the Finance Director. In those cases where the proceeds of debt are not to be held by a third-party trustee, the Finance Director shall be responsible for approving expenditures in the same manner as the approval for the expenditures for Housing Authority revenues.

10.4. Record Keeping Requirement. It is the Housing Authority's policy that the project owner shall be responsible for maintaining the following documents for the term of each issue of bonds (including refunding bonds, if any), plus at least three years:

A. A copy of the bond closing transcript(s) and other relevant documentation delivered to the project owner at or in connection with closing of the bond issue;

B. A copy of all material documents relating to capital expenditures financed or refinanced by bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, draw requests for bond proceeds and evidence as to the amount and date for each expenditure of bond proceeds, as well as documents relating to costs paid or reimbursed with bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with bond proceeds, including a final allocation of bond proceeds;

C. A copy of all contracts and arrangements involving the use of bond-financed or refinanced assets; and

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D. In respect of any investment of bond proceeds or collateral securing the repayment of the bonds, a copy of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee or fiscal agent statements, in connection with any investment agreements, and copies of all bidding documents, if any.

For housing bond financings subject to the requirements of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”), it is the Housing Authority’s policy that the project owner shall be responsible for maintaining until the end of the “qualified project period” within the meaning of Section 142(d)(2)(A) of the Code, plus at least three years, a copy of all records evidencing compliance with the requirement of Section 142(d) of the Code, including tenant income verifications, leases and tenant records.

The project owner, in the documents relating to the bonds and/or other documents finalized at or before the issuance of the bonds, shall agree to the foregoing records retention requirements and procedures.

10.5 At completion of the new construction or rehabilitation work, the project owner shall provide to the Housing Authority staff a certification from the project's architect that the project includes all design elements that formed the basis for CDLAC's award of bond allocation points (including but not limited to sustainable building methods and/or energy efficiency elements). Additionally, at or before completion of the new construction or rehabilitation of the project, and in any event prior to conversion of bonds to permanent financing, the project owner shall provide the Housing Authority with the final actual sources and uses of funds in the form of an independent cost certification and shall confirm to the Housing Authority staff that such sources and expenditures comply with all state and federal legal requirements, including the requirements set forth in the tax or arbitrage certificate with respect to tax-exempt bonds.

10.6 Annual Certification of Public Benefits and On-going Compliance – As required by CDLAC regulations, all projects that receive a CDLAC bond allocation and are within an existing regulatory period and/or compliance period, shall be monitored by the Housing Authority staff for compliance with the terms and conditions of the CDLAC allocation resolution. The Housing Authority may choose to hire an outside compliance monitoring firm to assist with such requirements. It is acknowledged that the Housing Authority is required to collect, review and submit to CDLAC the Certification of Compliance I, Certification of Compliance II, and CDLAC Completion Certificate, for each issuance of bonds, when applicable.

A. Annually, on or before February 1 of each year until the expiration of the later of the qualified project period or compliance period under the applicable CDLAC Resolution and Bond Regulatory Agreement, the project owner shall provide a written certification of compliance to the Housing Authority, to confirm that the completed project meets the terms and conditions stated in the CDLAC Resolution.

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B. The Housing Authority shall review the project owner's certification of compliance and may request supporting documents that evidence compliance as necessary in the sole reasonable discretion of the Housing Authority.

C. Annually, no later than March 1 of each year until the expiration of the qualified project period or compliance period under the CDLAC Resolution and Bond Regulatory Agreement, the Housing Authority shall complete and submit to CDLAC the Certification of Compliance II for Qualified Residential Rental Projects in such format as required by CDLAC, indicating that the completed project meets the terms and conditions stated in the applicable CDLAC Resolution.

D. The project owner is also required to submit IRS Form 8703 annually to the IRS on or before each March 31 as long as the bonds are outstanding. Form 8703 provides annual information to the IRS to help them determine whether a project continues to be a qualified residential rental project under section 142(d) of the Internal Revenue Code of 1986, as amended.

E. For projects receiving allocation of bond authority from CDLAC after December 31, 2016, CDLAC requires that a review of 20% of all management files associated with federally bond-restricted units either on site or electronically be performed upon project completion and every 3 years thereafter.

F. For projects which are not satisfying the terms and conditions stated in the CDLAC Resolution, the Housing Authority will work with CDLAC staff and Housing Authority legal counsel to institute remedial action, as necessary, including an action for specific performance or other available remedy. The Housing Authority may disqualify a bond application from any project owner or member of the development partnership who is not in compliance with CDLAC's Post Issuance Compliance requirements, as determined by the Housing Authority and/or by CDLAC.

10.7 Transfer of Ownership. The Housing Authority reserves the right to approve any voluntary change in ownership of a bond-financed project (i) to another owner, (ii) that results in a transfer of 50% or more of the total equity interests in a project owner, or (iii) that results in a transfer of any general partner or managing member interest in the project owner. Such approval of transfer ownership shall be at the discretion of the Housing Authority subject to any additional requirements set forth in the applicable tax certificate or Bond Regulatory Agreement. The Housing Authority shall review management practices of the proposed transferee's current and previously owned multifamily housing rental properties. Any proposed transferee (including individuals within an ownership) whose currently-owned multifamily housing rental properties have been found by the Housing Authority to have deficiencies that have not been resolved within the time frame prescribed by the County, Housing Authority or other local government authority, may not assume ownership of, or an ownership interest in, any bond financed project. The Housing Authority may initiate additional inspections to verify findings.

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10.8 Carryforward Election. With respect to each allocation of tax-exempt private activity bond issue authority to the Housing Authority in a given calendar year for which less than all of the allocation of volume cap was used, the Housing Authority staff shall contact CDLAC requesting confirmation of the amount, if any, of carryforward election the Housing Authority shall make under section 146(f) of the Internal Revenue Code and the Housing Authority will timely file a Form 8328 with the IRS.

10.9 Arbitrage Rebate Compliance. The project owner shall comply with all applicable federal tax laws set forth in the tax or arbitrage certificate and bond documents, including arbitrage rebate compliance. Upon request, the project owner shall provide the Housing Authority with documentation that verifies compliance with federal tax laws set forth in the tax or arbitrage certificate and bond documents, including rebate compliance reports.

11. CONCLUSION

This Policy is intended to guide and regulate the Housing Authority's issuance and administration of debt. This policy should be reviewed and updated periodically to reflect changes in the market, changes in the law, the identification of other best practices, and to incorporate the Housing Authority's own experience or changing circumstances.

While adherence to this Policy is generally required, it is recognized that changes in the capital markets, the Housing Authority's needs and other unforeseen circumstances may from time to time produce situations that are not covered by the Policy or will require modifications or exceptions to best achieve the Housing Authority's overall goals. Any deviations from this Policy that is recommended by staff should be highlighted in the staff report transmitting the resolution for approval of the financing.

Authorized:

Margaret Pia
Chair, Board of Commissioners
Housing Authority of the County of Merced

Rosa Vazquez
Executive Director
Housing Authority of the County of Merced

Date

Date