

AGENDA

BOARD OF COMMISSIONERS HOUSING AUTHORITY OF THE COUNTY OF MERCED

Regular Meeting
Tuesday, April 18, 2023
12:00 p.m.

Closed session immediately following

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

Rick Osorio, Chairperson
Hub Walsh, Vice-Chair
Evelyn Dorsey
Robert Dylina
Diana Odom Gunn
Margaret Pia

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 Clerk of the Board 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. 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 subject-matter 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 3-minute presentation.

All persons addressing the Commission are requested to state their name and address for the record. Public comments must not interfere with orderly discussion or otherwise disrupt the meeting (CA Gov. Code 54957.9, SB 1100 (2022)). Slanderous, profane, threatening remarks or disorderly conduct that disrupts the meeting are prohibited (CA Gov. Code 36813, White v. City of Norwalk, 900 F.2d 1421 (1990)). Disruptive conduct may be grounds for removal from the meeting.

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

(M/S/C): ___ / ___ / ___



IV. APPROVAL OF THE FOLLOWING MEETING MINUTES

1. March 28, 2023 - Special Meeting (M/S/C): ____/____/____

V. CONSENT CALENDAR

1. Rent Delinquency Report March 2023
2. Financial Reports for March 2023
3. Public Housing Occupancy/Vacancy Report
4. HCV Program Counts

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

VI. INFORMATION/DISCUSSION ITEM(S)

1. Staff Report: HOTMA

VII. EXECUTIVE DIRECTOR REPORT

1. Boys & Girls Club
2. Migrant Center Opening Update

VIII. WRITTEN CORRESPONDENCE

None

IX. RESOLUTION ITEM(S)

None

X. ACTION ITEM(S)

None

XI. COMMISSIONER'S COMMENTS

XII. CLOSED SESSION ITEM(S)

1. Pursuant to Government Code §54957
Public Employee Performance Evaluation for Executive Director
David Ritchie, Legal Counsel

XIII. ADJOURNMENT

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



MINUTES
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE COUNTY OF MERCED

Special Meeting
Tuesday, March 28, 2023

- I. The meeting was called to order by Chairperson Osorio at 12:00 p.m. and the Secretary was instructed to call the roll.

Commissioners Present:

Rick Osorio, Chairperson
Hub Walsh, Vice-Chairperson
Evelyn Dorsey
Robert Dylina
Diana Odom Gunn
Margaret Pia

Commissioners Absent:

Chairperson Osorio declared there was a quorum present.

Staff Present:

Rosa Vazquez, Executive Director/Board Secretary
David Ritchie, Legal Counsel
Blanca Arrate, Director of Housing Programs
Tracy Jackson, Director of Housing Programs
Melina Frederick, Director of Procurement & Asset Management
Maria F. Alvarado, Board Clerk & HR Manager

Others Present:

Bertha Perez, Merced City Council
Fue Xiong, Merced City Council
Zaray Ramirez, Leadership Council for Justice and Accountability

II. UNSCHEDULED ORAL COMMUNICATION

None

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

Executive Director Vazquez provided a corrected version of the report for Item VI. 3. Additionally Item VI. was tabled by Legal Counsel Ritchie pending Commissioner reappointments.

(M/S/C): Commissioner Dylina/Commissioner Pia/Motion Passed



IV. APPROVAL OF THE FOLLOWING MEETING MINUTES

1. February 21, 2023, Regular Meeting

(M/S/C): Commissioner Walsh/Commissioner Pia/Motion Passed

V. CONSENT CALENDAR

1. Rent Delinquency Report for February 2023
2. Financial Reports for February 2023
3. Public Housing Occupancy/Vacancy Report
4. HCV Special Program Counts

(M/S/C): Commissioner Walsh/Commissioner Odom Gunn/Motion Passed

VI. INFORMATION AND DISCUSSION ITEM(S)

1. Executive Director Vazquez informed the Board that the Office of Migrant Services received federal funding intended to make broadband internet available at all twenty-four of the migrant housing centers in California. The Authority will be issuing a Request for Proposals for this project. The deadline for proposal submission is April 12th.

VII. EXECUTIVE DIRECTOR REPORT

1. Executive Director Vazquez updated the Board on the status of the Emergency Shelter Program at the Felix Torres Farmworker Housing Center. As of March 15th all occupied units were vacated and the occupying families either moved back into their homes, relocated to the Marriott hotel, or relocated to the ten Joe Serna Farmworker Housing units on site. Executive Director Vazquez also answer several questions Ms. Zaray Ramirez had regrading the center and the families.
2. Executive Director Vazquez provided information regardin the number of local vendors the Authority does business with. An increase in responding local vendors was noted and the total number of local vendors in business with the Authoriyt is approximately sixty.
3. The Authority has once again begun to look into the reposistioning of the Public Housing Program. HUD has been persistant in encouraging agencies to evaluate their public housing stock and determine if the program is still in benefit of the agency and the residents or if other programs would be of greater benefit.

VIII. WRITTEN CORRESPONDENCE

None



IX. RESOLUTIONS ITEM(S)

1. **Resolution No. 2023-07:** Approving and adopting the 2023-2026 Memorandum of Understanding between the Housing Authority of the County of Merced and the American Federation of State County and Municipal employees AFL-CIO 2703.

(M/S/C): Commissioner Pia/Commissioner Ododm Gunn/Motion Passed

2. **Resolution No. 2023-08:** Approving the Housing Authority of the County of Merced salary schedules for represented employees for the period 2023-2026.

(M/S/C): Commissioner Dylina/Commissioner Odom Gunn/Motion Passed

X. ACTION ITEM(S)

None

XI. COMMISSIONER’S COMMENTS

Commissioner Dylina followed up on his request to have the Authority do a presentation thanked the present Merced City Council members, his request for in-person training on Authority programs, and the use of unrestricted funds. Additionally, Commissioner Dylina noted the revision to the public housing vacancy report.

Commissioner Odom Gunn commented on the Authority’s participation in assisting the displaced Planada families and stated she felt proud of the Authority’s role.

Chairperson Osorio thanked City Council Member Perez and Xiong for being present. He also thanked staff for the work they did with the Emergency Shelter Program as well as Ms. Olivia Gomez for her service to the community.

CLOSED SESSION ITEM(S)

The Board of Commissioners went into closed session at 1:02 p.m. The following people were present:

Board Members

Rick Osorio, Chairperson
 Hub Walsh, Vice-Chair
 Evelyn Dorsey
 Robert Dylina
 Margaret Pia

Others Present

David Ritchie, Legal Counsel

1. Pursuant to Government Code(§ 54957 – Public Employee Performance Evaluation for Executive Director

The Board returned to Regular Session at 1:22 p.m. and no reportable action. Direction given to staff.



XII. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 1:23 p.m.

Chairperson Signature

Date: April 18, 2023

Secretary Signature

Date: April 18, 2023



Aged Receivables Report as for 03/2023 - As of 04-11-2023

Property	0 - 30 days	31-60 days	61 - 90 days	Over 90 days	Total Unpaid Charges	Balance
AMP 1						
ca023001 PH - Merced	5,971.25	3,510.99	2,803.08	13,630.57	25,915.89	25,915.89
ca023010 PH - Merced	5,077.74	3,152.47	1,812.10	7,825.84	17,868.15	17,868.15
ca023013 PH - Merced Sr	1,062.29	238.00	238.00	2,835.35	4,373.64	4,373.64
ca023021 PH - Acquisition	0.00	0.00	0.00	0.00	0.00	0.00
ca023023 PH - Acquisition	458.00	458.00	458.00	941.00	2,315.00	2,315.00
AMP 1 TOTALS	12,569.28	7,359.46	5,311.18	25,232.76	50,472.68	50,472.68
AMP 2						
CA023003 PH - Atwater - Cameo	1,494.00	794.00	794.00	1,172.00	4,254.00	4,254.00
ca023006 PH - Livingston	6,971.01	2,393.58	1,918.00	6,068.92	17,351.51	17,351.51
012a PH - Atwater	1,708.87	527.43	463.00	4,177.00	6,876.30	6,876.30
012b PH - Winton	23.00	0.00	0.00	0.00	23.00	23.00
AMP 2 TOTALS	10,196.88	3,715.01	3,175.00	11,417.92	28,504.81	28,504.81
AMP 3						
ca023002 PH - Los Banos	946.59	913.00	913.00	2,354.00	5,126.59	5,126.59
ca023004 PH - Los Banos - Abby, B, C & D	1,993.00	683.00	683.00	1,507.59	4,866.59	4,866.59
ca023005 PH - Dos Palos - West Globe	1,575.00	586.00	404.00	859.21	3,424.21	3,424.21
ca023011 PH - Los Banos - J & K St	821.24	-38.00	374.00	0.00	1,157.24	1,157.24
012c PH - Dos Palos - Alleyne	1,678.78	0.00	0.00	0.00	1,678.78	1,678.78
012d PH - Dos Palos - Globe	382.00	0.00	0.00	-82.00	300.00	300.00
AMP 3 TOTALS	7,396.61	2,144.00	2,374.00	4,638.80	16,553.41	16,553.41
AMP 4						
ca023024 PH 1st Street	109.00	109.00	109.00	34.00	361.00	361.00
AMP 4 TOTALS	109.00	109.00	109.00	34.00	361.00	361.00
VALLEY VIEW						
atw Atwater Elderly	0.00	0.00	0.00	0.00	0.00	0.00
dp Dos Palos Elderly	0.00	0.00	0.00	0.00	0.00	0.00
mid Midway	0.00	0.00	0.00	200.00	200.00	200.00
pbc - atw	968.00	240.00	47.00	-248.51	1,006.49	1,006.49
pbc - dp	1,036.28	241.00	241.00	-357.72	1,160.56	1,160.56
pbc - mid	3,808.00	1,663.00	1,301.00	12,814.81	19,586.81	19,586.81
VALLEY VIEW TOTALS	5,812.28	2,144.00	1,589.00	12,408.58	21,953.86	21,953.86
FELIX TORRES YEAR ROUND						
ft.yr Felix Torres Year Round Center	3,796.00	2,964.82	1,816.00	1,627.00	10,203.82	10,203.82
FELIX TORRES YEAR ROUND TOTALS	3,796.00	2,964.82	1,816.00	1,627.00	10,203.82	10,203.82
HOUSING AUTHORITY TOTALS	39,880.05	18,436.29	14,374.18	55,359.06	128,049.58	128,049.58

Housing Authority of the County of Merced

Financial Statement - AMP 1 (.fs-amp1)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1,2)	356,414	304,405	52,009	17	730,567
TOTAL GRANT INCOME (3)	292,892	265,470	27,422	10	637,125
TOTAL INCOME	649,306	569,875	79,431	14	1,367,692
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (4,5,6)	177,448	179,840	2,392	1	431,612
TOTAL TENANT SERVICES EXPENSES	999	710	-289	-41	1,700
TOTAL UTILITY EXPENSES (7)	93,727	101,115	7,388	7	242,674
TOTAL MAINTENACE EXPENSES (8,9)	133,090	157,715	24,625	16	378,499
TOTAL GENERAL EXPENSES (10,11)	67,769	56,055	-11,714	-21	134,544
TOTAL HOUSING ASSISTANCE PAYMENTS	1,939	2,085	146	7	5,000
TOTAL FINANCING EXPENSES	16,665	16,665	0	0	40,000
TOTAL NON-OPERATING ITEMS	15,715	15,715	0	0	37,716
TOTAL EXPENSES	507,352	529,900	22,548	4	1,271,745
NET INCOME	141,954	39,975	101,979	255	95,947

- (1) Tenant Rents up +\$51K over Budget
- (2) Tenant Legal Fees +\$21K -(Not Included above - Costs charged to 7 tenants)
- (3) Grant Inc. up +\$27K
- (4) Salary and Benefit Exp +\$13K
- (5) Legal is over - \$12K
- (6) Mangement Fees +\$4K
- (7) Sewer & Water - timeing on invoices +\$6K
- (8) Maint. Costs Supplies +\$12K - timing on order supplies
- (9) Contract Costs +\$10K - timing on repairs and servcies
- (10) Payments in Lieu of Taxes up - \$6K (higher income)
- (11) Ins. Prem. Higher -\$7K

Housing Authority of the County of Merced

Financial Statement - AMP 2 (.fs-amp2)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1,2,3)	254,737	246,825	7,912	3	592,378
TOTAL GRANT INCOME (4)	188,570	169,330	19,240	11	406,391
TOTAL INCOME	443,307	416,155	27,152	7	998,769
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (5)	113,707	125,515	11,808	9	301,227
TOTAL TENANT SERVICES EXPENSES	1,370	665	-705	-106	1,600
TOTAL UTILITY EXPENSES	92,145	92,745	600	1	222,595
TOTAL MAINTENACE EXPENSES (6,7,8)	125,120	131,075	5,955	5	314,552
TOTAL GENERAL EXPENSES (9)	48,668	42,415	-6,253	-15	101,801
TOTAL HOUSING ASSISTANCE PAYMENTS	915	470	-445	-95	1,125
TOTAL FINANCING EXPENSES	7,975	7,975	0	0	19,145
TOTAL NON-OPERATING ITEMS (10)	0	29,740	29,740	100	71,372
TOTAL EXPENSES	389,900	430,600	40,700	9	1,033,417
NET INCOME	53,407	-14,445	67,852	-470	-34,648

- (1) Tenant Rents +\$7K
- (2) Tenant Legal Fees (+\$19K - Not Included above - Costs charged to 6 tenants)
- (3) Misc. Tenant Inc. (Not Included above - \$67,204.25 - Work Order and Labor for Restoration est. fire damage)
- (4) HUD PHA Subsidy +\$ 19K
- (5) Salary & Benefit Exp. +\$9K, Legal Exp. +\$4K
- (6) Maint. Salary & Benefits Exp. -\$8K, On Call Serv. -\$ 12K
- (7) Material Exp. +\$ 14K - Timing on ordering supplies
- (8) Contract Costs +\$ 13K - timing on repairs and maintenance
- (9) Property Ins. Rate increase -\$ 5K
- (10) Fully depreciated at 9/2022, not a cash item +\$30K

Housing Authority of the County of Merced

Financial Statement - AMP 3 (.fs-amp3)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1,2)	266,347	250,260	16,087	8	600,630
TOTAL GRANT INCOME (3)	197,577	178,365	19,212	11	428,073
TOTAL INCOME	463,924	428,625	35,299	9	1,028,703
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (4)	127,148	138,095	10,947	8	331,431
TOTAL TENANT SERVICES EXPENSES	266	455	189	42	1,100
TOTAL UTILITY EXPENSES (5)	71,394	75,870	4,476	6	182,080
TOTAL MAINTENACE EXPENSES (6,7,8)	87,111	141,495	54,384	38	339,592
TOTAL GENERAL EXPENSES (9)	51,398	44,565	-6,833	-15	106,956
TOTAL HOUSING ASSISTANCE PAYMENTS	1,670	625	-1,045	-167	1,500
TOTAL FINANCING EXPENSES	7,085	7,085	0	0	17,000
TOTAL NON-OPERATING ITEMS (10)	0	24,345	24,345	100	58,425
TOTAL EXPENSES	346,072	432,535	86,463	28	1,038,084
NET INCOME	117,852	-3,910	121,762	-3,114	-9,381

- (1) Tenant Rent +\$16K
- (2) Tenant Legal +\$4K (Not Included above - One tenant)
- (3) Grant Subsidy +\$ 19K
- (4) Salaries & Benefits +\$ 10K
- (5) Water & Sewer +\$ 10K, Garbage -\$ 7K
- (6) Maintenance Salary +\$ 17K & Benefits Lower +\$5K
- (7) Supplies Maintenance Lower +\$21K - Timing of repairs and Maint.
- (8) Contract Costs Lower +\$11K, Timing of Contract repairs and Maint.
- (9) Property Ins. Rate increase -\$ 6K
- (10) Fully depreciated at 9/2022, not a cash item +\$24K

Housing Authority of the County of Merced

AMP4 - 1st Street, Merced (.fs-amp4)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (3)	11,015	7,520	3,495	46	18,051
TOTAL GRANT INCOME	11,225	10,320	905	9	24,767
TOTAL INCOME	22,240	17,840	4,400	25	42,818
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES	4,457	5,125	668	13	12,372
TOTAL UTILITY EXPENSES	2,749	3,340	591	18	8,023
TOTAL MAINTENACE EXPENSES	3,134	2,765	-369	-13	6,667
TOTAL GENERAL EXPENSES	1,947	1,400	-547	-39	3,341
TOTAL HOUSING ASSISTANCE PAYMENTS	0	40	40	100	100
TOTAL FINANCING EXPENSES	415	415	0	0	1,000
TOTAL NON-OPERATING ITEMS	19,899	19,900	1	0	47,757
TOTAL EXPENSES	32,600	32,985	385	1	79,260
NET INCOME	-10,360	-15,145	4,785	-32	-36,442

(1) Tenant Rent +\$3K

Housing Authority of the County of Merced

All HCV Properties with Sub (.fs-hcvs)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
TOTAL GRANT INCOME (1)	9,541,056	10,132,100	-591,044	-6	24,317,038
TOTAL OTHER INCOME	342	630	-288	-46	1,500
TOTAL INCOME	9,541,398	10,132,730	-591,332	-6	24,318,538
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (2,3,4,5)	636,801	797,620	160,819	20	1,914,309
TOTAL TENANT SERVICES EXPENSES	1,820	0	-1,820	N/A	0
TOTAL UTILITY EXPENSES	0	100	100	100	250
TOTAL MAINTENANCE EXPENSES (1,036	10,030	8,994	90	24,075
TOTAL GENERAL EXPENSES	20,550	28,420	7,870	60	68,213
TOTAL HOUSING ASSISTANCE PAYMENTS	8,694,582	9,227,935	533,353	6	22,147,040
TOTAL FINANCING EXPENSES	30,230	30,230	0	0	72,550
TOTAL EXPENSES	9,385,019	10,094,335	-709,316	-7	24,226,437
NET INCOME	156,379	38,395	117,984	307	92,101

- (1) Lower HAP from HUD -\$603K
- (2) Lower Salaries +\$ 63K & Benefits Less Temp Costs +\$18K
- (3) Lower Management and Bookkeeping Fees +\$47K
- (4) Fewer inspections during the month +\$ 23K
- (5) Misc. Admin. Exp. Over +\$ 28K
- (6) Higher Temp. Labor Exp. -\$ 55K
- (7) Misc. Admin. Exp. Section 8, -\$ 12K - not budgeted
- (8) Lower Contract Costs +\$ 9K, Timing of Contract repairs and Maint.
- (9) Lower Port-out admin fees +\$ 5K
- (10) Lower HAP issued +\$ 533K

Housing Authority of the County of Merced

Central Office Cost Center (cocc)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
TOTAL OTHER INCOME (1,2,3)	396,283	535,465	-139,182	-26	1,285,110
TOTAL INCOME	396,283	535,465	-139,182	-26	1,285,110
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (4,5,6,7)	482,560	429,600	-52,960	-12	1,031,052
TOTAL TENANT SERVICES EXPENSES	1,050	0	-1,050	N/A	0
TOTAL UTILITY EXPENSES	19,500	20,245	745	4	48,581
TOTAL MAINTENACE EXPENSES (8)	16,490	35,920	19,430	54	86,200
TOTAL GENERAL EXPENSES (9)	14,331	11,895	-2,436	-20	28,548
TOTAL FINANCING EXPENSES	31,250	31,250	0	0	75,000
TOTAL NON-OPERATING ITEMS	3,280	3,280	0	0	7,873
TOTAL EXPENSES	568,461	532,190	-36,271	-7	1,277,254
NET INCOME	-172,178	3,275	-175,453	-5,357	7,856

- (1) Lower Mgmt and Bookkeeping Fees from HCV -\$51K
- (2) Asset Mgt Fee book at the end of the year -\$ 21K
- (3) Admin Fee to be booked as Cap Projects are completed -\$69K
- (4) Admin Salary -\$ 25K & Benefits Higher -\$ 14K
- (5) Legal Fees Higher -\$45K
- (6) Admin Misc. Exp Lower +\$ 15K
- (7) Admin Other Exp Lower +\$ 15K
- (8) Lower Contract Labor Costs +\$19K, Timing of Contract repairs and Maint.
- (9) Higher Property Ins. Prem. -\$ 2K

Housing Authority of the County of Merced

Langdon Villas (langdon)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME	30,247	29,410	837	3	70,588
TOTAL OTHER INCOME (1)	113,391	117,100	-3,709	-3	281,046
TOTAL INCOME	143,638	146,510	-2,872	-2	351,634
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (2,3)	37,205	32,760	-4,445	-14	78,610
TOTAL UTILITY EXPENSES	68	670	602	90	1,600
TOTAL MAINTENACE EXPENSES (4)	0	4,865	4,865	100	11,682
TOTAL GENERAL EXPENSES	9,037	8,805	-232	-3	21,148
TOTAL FINANCING EXPENSES	64,165	64,165	0	0	154,000
TOTAL NON-OPERATING ITEMS	1,433	1,430	-3	0	3,438
TOTAL EXPENSES	111,908	112,695	787	1	270,478
NET INCOME	31,730	33,815	-2,085	-6	81,156

(1) Management Fee Lower -\$ 4K

(2) Salary Exp. Higher -\$ 4K

(3) Consultant fees Higher -\$ 2K

(4) Contract Cost Lower +\$ 5K, Timing of Contract repairs and Maint.

Housing Authority of the County of Merced

Obanion Learning Center (obanion)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1,2)	82,138	85,140	-3,002	-4	204,331
TOTAL INCOME	82,138	85,140	-3,002	-4	204,331
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES	8,618	9,285	667	7	22,283
TOTAL UTILITY EXPENSES (3)	37,704	36,055	-1,649	-5	86,539
TOTAL MAINTENACE EXPENSES	16,955	15,515	-1,440	-9	37,220
TOTAL GENERAL EXPENSES (4)	2,464	1,185	-1,279	-108	2,844
TOTAL NON-OPERATING ITEMS	22,417	22,415	-2	0	53,800
TOTAL EXPENSES	88,157	84,455	-3,702	-4	202,686
NET INCOME	-6,019	685	-6,704	-979	1,645

- (1) Tenant Rents -lower -\$ 65K
- (2) Tenant Owed Utilities +\$ 3K
- (3) Utility Costs Higher -\$ 2K
- (4) Property Ins Higher -\$ 1K

Housing Authority of the County of Merced

Property = Valley View (atw dp mid vv-bond pbc-b-atw pbc-b-dp pbc-b-mid)

Budget Comparison

Period = Oct 2022-Feb 2023

	PTD Actual	PTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1,2)	358,283	254,875	103,408	41	611,709
TOTAL INCOME	358,283	254,875	103,408	41	611,709
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (3,4)	46,883	73,490	26,607	36	176,365
TOTAL UTILITY EXPENSES (5)	41,760	48,540	6,780	14	116,504
TOTAL MAINTENACE EXPENSES (6)	64,226	70,290	6,064	9	168,682
TOTAL GENERAL EXPENSES	17,311	15,680	-1,631	-10	37,626
TOTAL FINANCING EXPENSES	28,540	28,540	0	0	68,500
TOTAL NON-OPERATING ITEMS (6)	0	16,885	16,885	100	40,519
TOTAL EXPENSES	198,720	253,425	54,705	22	608,196
NET INCOME	159,563	1,450	158,113	10,904	3,513

- (1) Higher Tenant Assistance Payments +\$ 112K, Lower Tenat Rents -\$ 8K
- (2) Vacant staff positions +\$ 14K, Lower Benefit costs +\$ 5K
- (3) Legal Exp Lower +\$ 6K
- (4) Invoices not received +\$7K
- (5) Supplies lower +\$2K, Contract Costs lower +\$ 5K
- (6) Fully depreciated at 9/2022, not a cash transaction +\$ 17K

Housing Authority of the County of Merced

Felix Torres Year Round (.fs-fty)

Budget Comparison

Period = Oct 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
NET TENANT INCOME (1)	203,340	236,055	-32,715	-14	566,530
TOTAL OTHER INCOME	40	0	40	N/A	0
TOTAL INCOME	203,380	236,055	-32,675	-14	566,530
EXPENSES					
TOTAL ADMINISTRATIVE EXPENSES (2,3)	19,727	37,910	18,183	48	90,977
TOTAL UTILITY EXPENSES (4)	37,787	42,160	4,373	10	101,175
TOTAL MAINTENACE EXPENSES	43,125	44,455	1,330	3	106,679
TOTAL GENERAL EXPENSES (5)	16,166	11,895	-4,271	-36	28,553
TOTAL FINANCING EXPENSES	8,335	8,335	0	-352	20,000
NON-OPERATING ITEMS					
Depreciation -Buildings	81,446	81,445	-1	0	195,471
TOTAL NON-OPERATING ITEMS	81,446	81,445	-1	0	195,471
TOTAL EXPENSES	206,586	226,200	19,614	9	542,855
NET INCOME	-3,207	9,855	-13,062	-133	23,675

- (1) Vacancies -\$ 26K, Rental Assistance -\$ 6K
- (2) Benefits costs +\$ 6K, Other Admin +\$ 3K
- (3) Telephone expenses +\$ 8K
- (4) Utilities Lower +\$ 4K - seasonal fluctuations
- (5) Property Ins. Rate increase -\$ 4K

Housing Authority of the County of Merced

Financial Stmt - Migrant (.fs-mig)

Budget Comparison

Period = Jul 2022-Feb 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
Revenue & Expenses					
INCOME					
Total - Grant Income (1)	896,167	1,006,000	109,833	11	1,509,067
TOTAL INCOME	896,167	1,006,000	109,833	11	1,509,067
EXPENSES					
Total - Center Personnel	353,185	475,208	122,023	26	712,800
Total - Operating Expenses	355,355	298,552	-56,803	-19	447,900
Total - Maintenance Expenses	19,421	47,104	27,683	59	70,650
Total - Contractor Administration	86,424	84,864	-1,560	-2	127,315
Total - Debt Service and Replacement	81,781	100,272	18,491	18	150,402
TOTAL	896,167	1,006,000	109,833	11	1,509,067

(1) Zero budget, offset to variance in expenses -\$110K

(2) All positions not fully staffed Salary +\$ 64K, Benefits +\$ 57K

(3) Continued higher utilities in 2nd year of contract -Elect. -\$ 59K, Prop. Ins. -\$ 22K, Major Repairs +\$ 26K

(4) General lower supplies and contract expenses +\$28K, Timing of Contract repairs and Maint. Supplies

(5) Timing of expense compared to budget - Audit -\$ 2K

(6) Timing of payments, total yearend expected to be per budget +\$ 18K

Total Number of Public Housing Units: 421
 Number of Occupied Units: 414
 Number of Vacant Units: 7

Unit ID	Prospective Resident	Move - In Date	Security Deposit Amount
432	YES	04/28/23	\$500.00
352	YES	4/28/23 ; previous prospect cancelled	\$500.00
139	YES	Pending unit turnover	\$500.00
397	YES	Pending unit turnover	\$500.00
440	YES	04/25/23	\$500.00
69	YES	Pending unit turnover	\$300.00
214	NO	100 Selected From Waitinglist / Pending unit turnover	\$500.00

Indicators

Sub-Indicator #1	Performance Scoring	Mar
Lease Up Days		122
Average Lease Up Days		7
Make Ready Time		365
Average Make Ready Days		20
Down Days		38
Average Down Days		2
Total # Vacant Units Turned		18
Total # Turn Around Days		525
Average Turn Around Days (To Date)	A = 0-20 B = 21-25 C = 26-30 D = 31-40 F = more than 50	29

Special Program Voucher Counts

Voucher Program Name	Funding Source	Allocation	Voucher Under HAP	Vouchers Searching	Referrals Pending Review/ Documentation	Packets needed to fully HAP
Veterans Affairs Supportive Housing (VASH)	HUD Grant	123	110	9	0	4
Emergency Housing Voucher (EHV)	HUD Grant	68	37	22	4	5
Mainstream (MS5)	HUD Grant	26	8	0	0	18
Shelter Plus Care (SPC)	HUD Grant	8	5	0	0	3
Independent Living Program (ILP)	HA Set-Aside	10	7	0	0	3
Family Unification Program (FUP)	HA Set-Aside	27	21	3	0	3
Coordinated Entry System (CES)	HA Set-Aside	150	110	30	0	10
Adult Protective Services (APS)	HA Set-Aside	10	5	4	0	1
Human Services Agency (HSA)	HA Set-Aside	50	0	5	35	10
Tenant Based & Project Based Vouchers	HAP	2494	2211			

STAFF REPORT

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

FROM: Rosa Vazquez, Executive Director

DATE: April 18, 2023

SUBJECT: Housing Opportunity through Modernization Act. (HOTMA)

On July 29, 2016, the Housing Opportunity through Modernization Act of 2016. (HOTMA) was signed into law. HOTMA makes numerous amendments to Sections 3, 8, and 16 of the United States Housing Act of 1937 (1937 Act), including changes to income calculation and reviews.

On September 17, 2019, HUD issued a proposed rule to implement Sections 102, 103, and 104 of HOTMA. However, only Sections 102 and 104 apply to Multifamily Housing programs.

HUD finalized rulemaking to put Sections 102 and 104 of HOTMA into effect through revisions to HUD's regulations found in 24 CFR Part 5 and 24 CFR Part 891.

The purpose of HOTMA, signed into law on July 29, 2016, is to streamline processes and reduce administrative burdens on housing providers, thereby also reducing burdens on assisted residents.

- **Section 102:** Addresses income reviews, including the frequency of income reviews and revises the definitions of income and assets.
- **Section 103:** Modifies the continued occupancy standards of Public Housing residents (does not apply to Multifamily Housing programs)
- **Section 104:** Sets asset limits for the Section 8 and Public Housing programs. Asset limits do not apply to the Section 202/8, Section 202/162 Project Assistance Contract (PAC), 202/811 Project Rental Assistance Contract (PRAC), Senior Rental Preservation Assistance Contract (SPRAC), or the Section 811 Project Rental Assistance (PRA) programs.

All provisions for Multifamily Housing programs will become effective on January 1, 2024. Owners must implement the revised regulations for all tenant certifications of income effective January 1, 2024 and after:

- Created a 10% adjusted income increase or decrease threshold for conducting interim income reexaminations. In most situations, increases in earned income (e.g. wages) will not be processed until a resident's next annual income reexamination.

- Increased the standard deduction for households with a head, co-head, or spouse who is elderly or is a person with a disability from \$400 to \$525.
- Excluded income received from Medicaid or other state or local programs designed to keep at home a household member who has a disability.
- Increased the allowance for unreimbursed health and medical care expenses from 3% to 10% of annual income (phased in over two years).
- Provided hardship relief for expense deductions, lessening the impact of the above increased threshold for medical expenses. Public housing agencies (PHAs) may grant hardships for households unable to pay rent due to unanticipated medical or disability expenses, as well as for households no longer eligible for the childcare expense deduction.
- Created a 10% adjusted income increase or decrease threshold for conducting interim income reexaminations. In most situations, increases in earned income (e.g. wages) will not be processed until a resident's next annual income reexamination.
- Increased the standard deduction for households with a head, co-head, or spouse who is elderly or is a person with a disability.
- Excluded income received from Medicaid or other state or local programs designed to keep at home a household member who has a disability.
- Increased the allowance for unreimbursed health and medical care expenses from 3% to 10% of annual income (phased in over two years).
- Provided hardship relief for expense deductions, lessening the impact of the above increased threshold for medical expenses. Public housing agencies (PHAs) may grant hardships for households unable to pay rent due to unanticipated medical or disability expenses, as well as for households no longer eligible for the childcare expense deduction.

In addition, HUD will also be implementing the new Inspection format to the National Standards for the Physical Inspection of Real Estate (NSPIRE) this new physical inspection models are designed to promote HUD goal of reducing health and safety hazards in the home. NSPIRE aligns multiple HUD programs to a single set of inspection standards so that the same expectation of housing quality can be achieved across HUD program.

HUD has announced that as of **October 1, 2023**, NSPIRE will officially replace UPCS as the inspection protocol used by REAC Inspectors and will update **24 CFR 902.20** to reference NSPIRE as the inspection protocol used by Multifamily HUD and Public and Indian Housing. Once the change has officially been adopted, owners and management agents will have a new standard of "Decent, Safe, and Sanitary" and new guidelines to meet physical

NSPIRE moves REAC inspections from the current protocol, Uniform Physical Conditions Standards (UPCS,) to a more streamlined system focused on health and safety items. However, it is also a change to an overall process that focuses on good routine maintenance practices and away from a process that focuses on periodic reviews of outdated risk factors. This includes:

- Changing the Inspection Process to focus on health and safety and less on capital repair issues
- Change report scoring to be more focused on units
- Institute requirements for most issues to be repaired within either 24 hours or 30 days
- Establish new self-inspection and reporting requirements that require active ongoing maintenance
- New Inspection Procurement and Quality Assurance process will replace the current Reverse Auction Program model.
- While NPSIRE will include several new requirements for properties, such as Carbon Monoxide detectors. It also includes a reduction of certain inspection requirements, such as the removal of some issues like:
 - Overgrown vegetation (unless it affects handicapped accessibility)
 - Window thermopane seals
 - Requirements for guardrails and handrails.
 - Requirements for specific hardware for fire-rated doors
 - Door seals
 - Other capital replacement items