



# Boards of Commissioners Update

November 2017

## **Boards of Commissioners Update – November 2017**

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## BOARD UPDATE

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**TO:** Boards of Commissioners

**DATE:** November 15, 2017

Fresno Housing Authority

**AUTHOR:** Aurora Ibarra

**FROM:** Preston Prince, CEO/Executive Director



**SUBJECT:** Update on Leasing and Housing Assistance Payments (HAP) for the Housing Choice Voucher (HCV) Program

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### Executive Summary

The U.S Department of Housing and Urban Development (HUD) has set 2017 HAP proration levels at 97% of 2016 HAP expenses. This level of proration has allowed us to continue housing existing program participants and issue vouchers to new applicants this year.

Currently, the Agency has 371 vouchers designated for the Veterans Affairs Supportive Housing (VASH) program, all of which reside with the City HCV program. These vouchers are referral-based and issued as quickly as families are referred from The United States Department of Veterans Affairs (VA).

As in the past, we continue to diligently monitor our HAP and voucher utilization rates.

### City HCV

HAP expenditures for the month of October totaled \$3,417,615. The Per Unit Cost (PUC) for the month was \$513. HAP expenditures for the year are projected at \$42.8 million, resulting in 103.2% utilization in total HAP funding, and an expected year-end balance of \$4.6 million in total HAP reserves.

The overall projected voucher utilization for CY 2017 is 97.43%, ending the month of December at 94.12%.

### County HCV

HAP expenditures for the month of October totaled \$2,804,407. The Per Unit Cost (PUC) for the month was \$516. HAP expenditures for the year are projected at \$33.7 million, resulting in 101.1% utilization of HAP funding, and an expected year-end balance of \$2.4 million in HAP reserves.

The overall projected voucher utilization for CY 2017 is 97.2%, ending the month of December at 96.3%.

| Agency: City HAP Analysis     |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Year: 2017                    |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Enter Data into Green fields  | JAN          | FEB          | MARCH        | APRIL        | MAY          | JUNE         | JULY         | AUG          | SEPT         | OCT          | YTD          | NOV          | DEC          | TOTAL        |
| HAP                           |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| HAP Budget Authority (97%)    | \$3,457,264  | \$3,457,264  | \$3,457,264  | \$3,457,264  | \$3,457,264  | \$3,457,264  | \$3,457,264  | \$3,457,264  | \$3,457,264  | \$3,457,264  | \$34,572,642 | \$3,457,264  | \$3,457,264  | \$41,487,170 |
| HAP Revenue                   | \$3,726,652  | \$3,449,952  | \$3,731,785  | \$3,731,785  | \$3,731,785  | \$3,731,785  | \$3,754,053  | \$3,748,771  | \$3,748,771  | \$3,748,771  | \$37,104,110 | \$3,748,771  | \$3,748,771  | \$44,601,652 |
| HAP Expenses                  | \$3,626,303  | \$3,709,838  | \$3,676,829  | \$3,599,902  | \$3,600,737  | \$3,590,181  | \$3,570,631  | \$3,459,455  | \$3,387,958  | \$3,417,615  | \$35,639,449 | \$3,591,293  | \$3,591,293  | \$42,822,035 |
| Net HAP (Variance)            | \$100,349    | -\$259,886   | \$54,956     | \$131,883    | \$131,048    | \$141,604    | \$183,422    | \$289,316    | \$360,813    | \$331,156    | \$1,464,661  | \$157,478    | \$157,478    | \$1,779,617  |
| % Variance Based on HAP Rev   | 104.9%       | 107.3%       | 106.4%       | 104.1%       | 104.1%       | 103.8%       | 103.3%       | 100.1%       | 98.0%        | 98.9%        | 103.1%       | 103.9%       | 103.9%       | 103.2%       |
| PHA-Held Reserve Balance      | \$ -         | \$ -         | \$ -         | \$ 36,468    | \$ 174,632   | \$ 316,236   | \$ 499,658   | \$ 788,974   | \$ 1,149,787 | \$ 1,480,943 |              | \$ 1,638,421 | \$ 1,795,899 | \$1,795,899  |
| HUD-Held Reserve Balance      | \$ 5,076,773 | \$ 4,747,741 | \$ 4,256,075 | \$ 3,764,410 | \$ 3,272,744 | \$ 2,781,079 | \$ 2,930,841 | \$ 3,073,621 | \$ 3,216,400 | \$ 2,924,892 |              | \$ 3,056,347 | \$ 2,871,566 | \$2,871,566  |
| Total HAP Reserve Balance     | \$5,076,773  | \$4,747,741  | \$4,256,075  | \$3,800,878  | \$3,447,376  | \$3,097,315  | \$3,430,499  | \$3,862,595  | \$4,366,187  | \$4,405,835  |              | \$4,694,768  | \$4,667,465  | \$4,667,465  |
| PUC                           |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Actual HAP PUC                | \$501        | \$511        | \$516        | \$509        | \$516        | \$519        | \$521        | \$511        | \$506        | \$513        |              | \$536        | \$536        | \$516        |
| UNITS - Regular Vouchers      |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| HUD Baseline Units            | 6785         | 6785         | 6785         | 6785         | 6785         | 6785         | 6785         | 6785         | 6785         | 6785         | 67850        | 6785         | 6785         | 81,420       |
| Actual Leased (inc port outs) | 6950         | 6965         | 6831         | 6778         | 6678         | 6622         | 6550         | 6457         | 6386         | 6340         | 66557        | 6386         | 6386         | 79,329       |
| Variance to baseline          | 165          | 180          | 46           | -7           | -107         | -163         | -235         | -328         | -399         | -445         | -1293        | -399         | -399         | -2091        |
| YTD Variance to baseline      | 165          | 345          | 391          | 384          | 277          | 114          | -121         | -449         | -848         | -1293        |              | -1692        | -2091        | -2091        |
| Monthly Utilization           | 102.43%      | 102.65%      | 100.68%      | 99.90%       | 98.42%       | 97.60%       | 96.54%       | 95.17%       | 94.12%       | 93.44%       | 98.09%       | 94.12%       | 94.12%       | 97.43%       |
| UNITS - VASH Vouchers         |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| HUD Baseline Units            | 371          | 371          | 371          | 371          | 371          | 371          | 371          | 371          | 371          | 371          | 2968         | 371          | 371          | 4,452        |
| Actual Leased                 | 293          | 296          | 295          | 297          | 298          | 300          | 304          | 312          | 315          | 317          | 3027         | 317          | 317          | 3,661        |
| Variance to baseline          | -78          | -75          | -76          | -74          | -73          | -71          | -67          | -59          | -56          | -54          | 59           | -54          | -54          | -791         |
| YTD Variance to baseline      | -78          | -153         | -229         | -303         | -376         | -447         | -514         | -573         | -629         | -683         |              | -737         | -791         | -791         |
| Monthly Utilization           | 78.98%       | 79.78%       | 79.51%       | 80.05%       | 80.32%       | 80.86%       | 81.94%       | 84.10%       | 84.91%       | 85.44%       | 81.59%       | 85.44%       | 85.44%       | 82.23%       |

| Agency: County HAP Analysis   |             |             |             |             |             |             |             |             |             |             |              |             |             |              |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|--------------|
| Year: 2017                    |             |             |             |             |             |             |             |             |             |             |              |             |             |              |
|                               | JAN         | FEB         | MARCH       | APRIL       | MAY         | JUNE        | JULY        | AUG         | SEPT        | OCT         | YTD          | NOV         | DEC         | TOTAL        |
| HAP                           |             |             |             |             |             |             |             |             |             |             |              |             |             |              |
| HAP Budget Authority (97%)    | \$2,720,297 | \$2,720,297 | \$2,720,297 | \$2,720,297 | \$2,720,297 | \$2,720,297 | \$2,720,297 | \$2,720,297 | \$2,720,297 | \$2,720,297 | \$27,202,968 | \$2,720,297 | \$2,720,297 | \$32,643,561 |
| HAP Revenue                   | \$2,649,445 | \$2,649,445 | \$2,790,148 | \$2,790,148 | \$2,790,148 | \$2,790,148 | \$2,635,157 | \$2,897,562 | \$2,897,562 | \$2,897,562 | \$27,787,325 | \$2,694,619 | \$2,863,587 | \$33,345,531 |
| HAP Expenses                  | \$2,689,401 | \$2,810,818 | \$2,881,088 | \$2,847,970 | \$2,821,991 | \$2,911,487 | \$2,797,625 | \$2,790,667 | \$2,802,293 | \$2,804,407 | \$28,157,747 | \$2,802,293 | \$2,802,293 | \$33,762,333 |
| Net HAP (Variance)            | -\$39,956   | -\$161,373  | -\$90,940   | -\$57,822   | -\$31,843   | -\$121,339  | -\$162,468  | \$106,895   | \$95,269    | \$93,155    | -\$370,422   | -\$107,674  | \$61,294    | -\$416,802   |
| % Variance Based of BA        | 98.9%       | 106.1%      | 103.3%      | 102.1%      | 101.1%      | 104.3%      | 106.2%      | 96.3%       | 96.7%       | 96.8%       | 100.8%       | 104.0%      | 97.9%       | 101.1%       |
| PHA-Held Reserve Balance      | \$625,449   | \$464,076   | \$373,136   | \$320,759   | \$290,577   | \$169,238   | \$6,770     | \$113,665   | \$208,934   | \$302,089   |              | \$194,415   | \$255,709   | \$255,709    |
| HUD-Held Reserve Balance      | \$2,804,485 | \$2,760,202 | \$2,575,216 | \$2,390,230 | \$2,205,244 | \$2,020,258 | \$2,335,668 | \$2,388,673 | \$2,441,677 | \$2,264,412 |              | \$2,290,090 | \$2,146,530 | \$2,146,530  |
| Total HAP Reserve Balance     | \$3,429,934 | \$3,224,278 | \$2,948,352 | \$2,710,989 | \$2,495,821 | \$2,189,496 | \$2,342,438 | \$2,502,338 | \$2,650,611 | \$2,566,501 |              | \$2,484,505 | \$2,402,239 | \$2,402,239  |
| PUC                           |             |             |             |             |             |             |             |             |             |             |              |             |             |              |
| Actual HAP PUC (Exp/Leased)   | \$498       | \$516       | \$515       | \$510       | \$507       | \$524       | \$506       | \$507       | \$518       | \$516       | \$513        | \$515       | \$515       | \$512        |
| UNITS                         |             |             |             |             |             |             |             |             |             |             |              |             |             |              |
| HUD Baseline Units            | 5652        | 5652        | 5652        | 5652        | 5652        | 5652        | 5652        | 5652        | 5652        | 5652        | 56520        | 5652        | 5652        | 67,824       |
| Actual Leased (inc port outs) | 5404        | 5452        | 5592        | 5583        | 5570        | 5561        | 5525        | 5509        | 5409        | 5436        | 55041        | 5445        | 5445        | 65,931       |
| Variance to baseline          | -248        | -200        | -60         | -69         | -82         | -91         | -127        | -143        | -243        | -216        | -1479        | -207        | -207        | -1893        |
| YTD Variance to baseline      | -248        | -448        | -508        | -577        | -659        | -750        | -877        | -1020       | -1263       | -1479       |              | -1686       | -1893       | -1893        |
| Monthly Utilization           | 95.6%       | 96.5%       | 98.9%       | 98.8%       | 98.5%       | 98.4%       | 97.8%       | 97.5%       | 95.7%       | 96.2%       | 97.7%        | 96.3%       | 96.3%       | 97.2%        |

## BOARD UPDATE

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**TO:** Boards of Commissioners

**DATE:** November 28, 2017

Fresno Housing Authority

**AUTHOR:** Emily De La Guerra

**FROM:** Preston Prince, CEO/Executive Director



**SUBJECT:** Fresno Housing Operating Budget as of September 30, 2017

### Executive Summary

The purpose of this update is to present an overview of the financial operating results for the Fresno Housing Authority as of September 30, 2017. Please see the attached financial report for a summary of revenues and expenses by Agency division.

The financial report attachment shows the consolidation of all Agency programmatic budgets combined into six divisions. Projections have been incorporated into the year-to-date budget to account for the timing of cash flows and known variable expenses. These adjustments were based on historical trends and the most current information available.

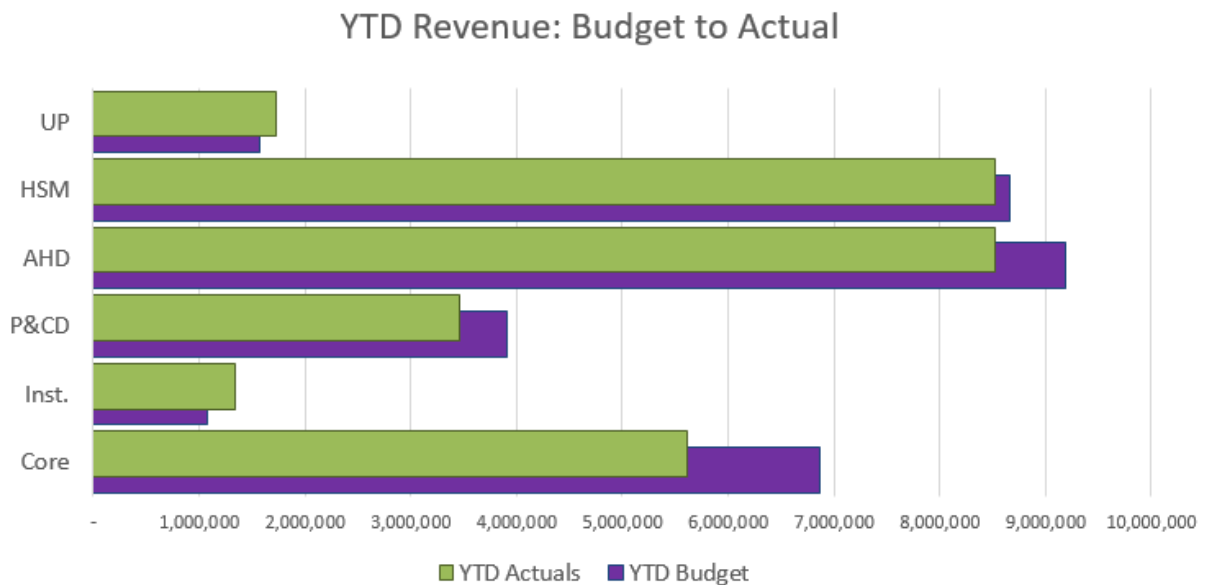
The 2017 Operating Budget was approved by the Boards in December 2016 with net operating income of \$3.8 million and unrestricted cash flow utilization of \$322 thousand, and as of September 30<sup>th</sup>, the Agency is operating better than budget. Total net income is \$4.1 million as of August, and unrestricted net income is \$1.4 million.

#### OPERATING BUDGET

TOTAL INCOME  
TOTAL EXPENSES  
**NET OPERATING INCOME**  
TOTAL NON-OPERATING EXPENSES  
**NET CASH FLOW**  
**UNRESTRICTED CASH FLOW**

| Fresno Housing Authority |                  |                  |
|--------------------------|------------------|------------------|
| Annual Budget            | YTD Budget       | YTD Actuals      |
| 41,693,668               | 31,273,010       | 29,200,195       |
| 37,882,611               | 28,411,959       | 25,131,888       |
| <b>3,811,057</b>         | <b>2,861,051</b> | <b>4,068,307</b> |
| 1,761,070                | 1,329,552        | 1,529,506        |
| <b>2,049,987</b>         | <b>1,531,499</b> | <b>2,538,800</b> |
| <b>(321,763)</b>         | <b>(247,313)</b> | <b>1,425,697</b> |

## Agency Revenue



UP - Unrestricted Properties: Agency-owned non-subsidized properties, for example Dayton, Woodside, and San Ramon (formerly known as Affordable Housing)  
HSM - Housing Management: Restricted, subsidized properties including all public housing, farm labor and migrant properties  
AHD - Assisted Housing Division: Housing Choice Voucher, Resident Services and Homeless programs  
P&CD - Planning & Community Development: Real Estate Development and Construction Management departments  
Inst. - Instrumentalities: Wholly-owned subsidiaries of the Agency, including HRFC, HSIC, and Silvercrest  
Core: Administrative Services departments including Accounting, Executive, Human Resources and Asset Management

Overall, year-to-date revenue is \$2.1 million less than anticipated at this point in the year.

Other Grant Income in AHD is less than budgeted due to large grant-funded programs that started later than anticipated. However, due to the late start, there will also be fewer expenses in these programs in 2017; therefore, there will not be a significant impact to the Agency's net operating income.

HUD Grant Income in AHD is higher than budgeted to due increased proration for HCV administrative fees. Furthermore, leasing at the beginning of the year was higher than originally budgeted, which means the Agency received more fees than were expected. As leasing normalizes towards the end of the year, the revenues will even out.

Income in Core is approximately \$1.2 million less than anticipated at this point in the year. Other income is less than budgeted due to the delayed receipt of reimbursements for our specialized maintenance group. Staff is working diligently to process all invoices before the end of the year. The remaining revenue variance in Core is in Admin & Management Fee Income. This is mainly due to expense reductions in IT Services and Staff Development expenses. These two services are charged to the program and the revenue is booked in Core. If there are fewer expenses, there will be less revenue and the net effect on the budget will be zero.

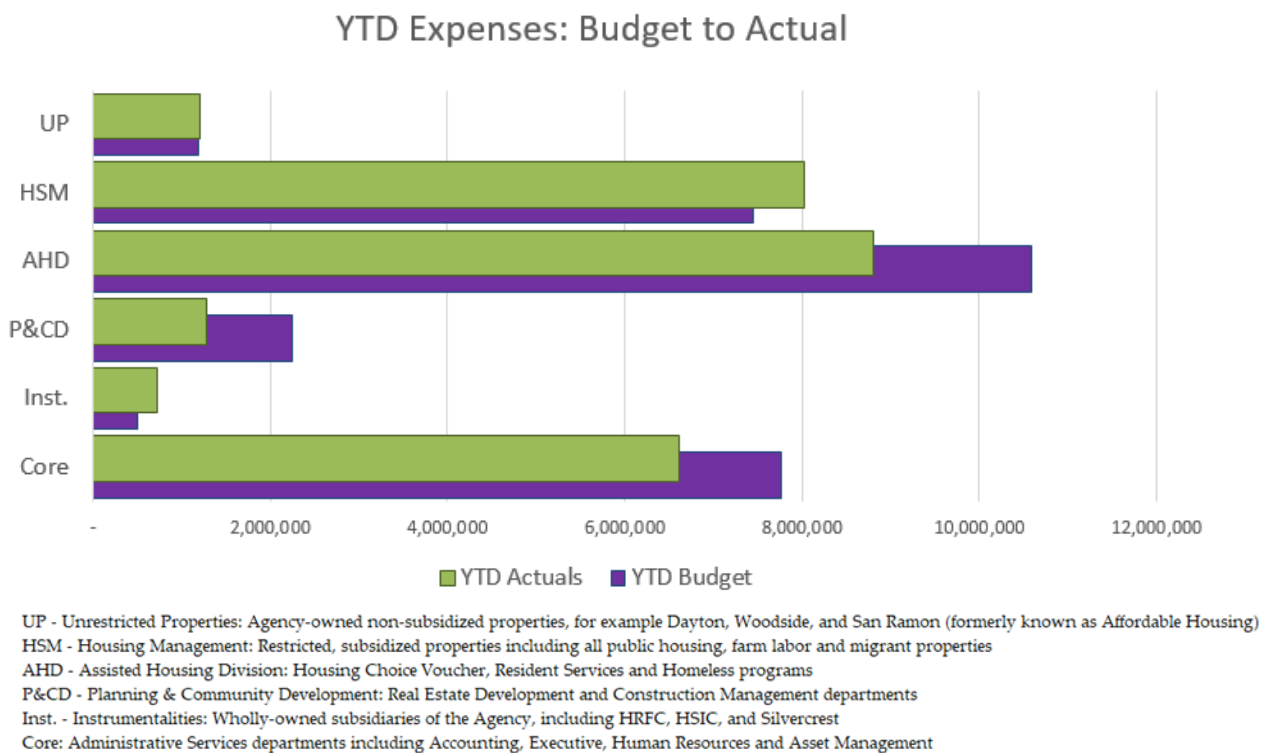
Major revenue changes from August to September:



Additional administrative fees for the Housing Choice Voucher program were received in September. HUD regularly reconciles the amount of the Admin Fees that were sent in previous months compared to what was earned. There was approximately \$100 thousand in additional revenue received this month.

No Developer Fees received in September.

## Agency Expenses



Overall, year-to-date expenses are \$3.1 million less than anticipated (operating and non-operating).

Payroll expenses are approximately \$1 million, or 8%, lower than anticipated. This is mainly due to unfilled positions and/or planned hiring delays. This variance will get slightly smaller over the course of the next three months, however, it is expected that there will be some budget savings in this line item at year-end.

Administrative Expenses are lower than budgeted Agency-wide. Core and P&CD show the largest reductions in this line item, as Professional & Consulting Expenses have been less than anticipated. Some of these expenses will increase throughout the year as the Agency pays on major contracts and improvements, including auditing fees, co-developer fees, and maintenance and repairs to the Central Office building. The Agency does anticipate some savings in this line item for 2017.

Tenant Services Expenses in AHD are less than budgeted due to grant-funded programs that started later than anticipated. This is also why revenue in AHD is less than budgeted. These programs are reimbursement-based, so if there are fewer expenses, there will also be less revenue.

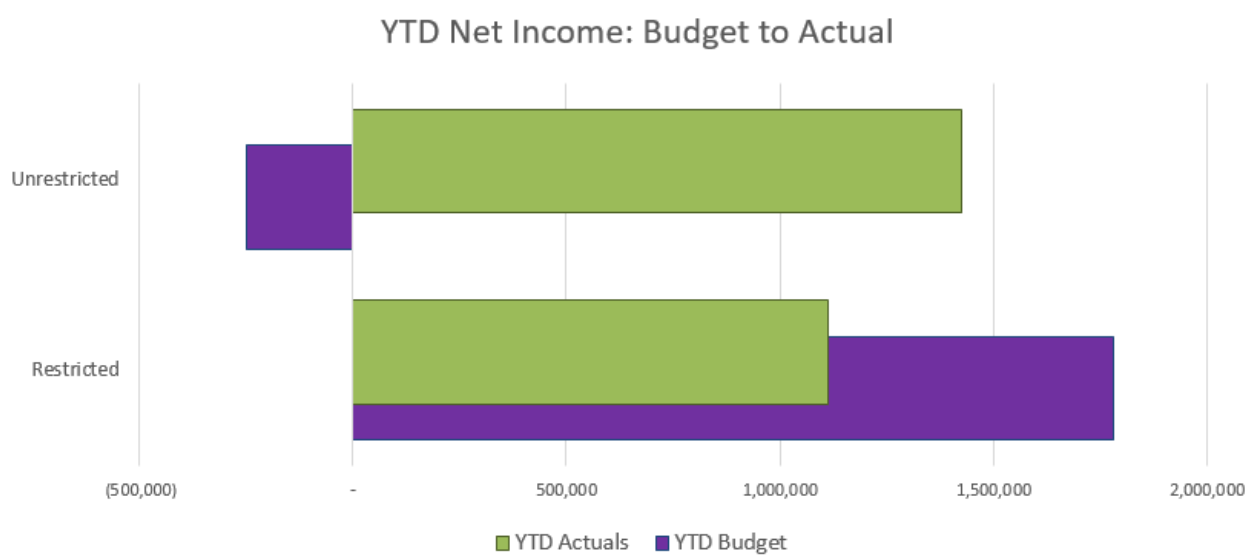


Major expenses changes from August to September:

Utility payments were higher for the month, since August bills were paid in September. Electricity was 40% higher than the monthly budget amount due to the excessive heat in July and August. However, the Agency's utility expenses are on budget for this point in the year, and it is expected that the Agency will end the year close to the budgeted amount, as expenses normalize towards the fourth quarter.

Maintenance expenses in September were higher than previous months due to planned improvements and unit turnaround costs. Property management staff is working diligently to fill vacant units and make improvements to the sites before the fall and winter months.

### Agency Net Income



Overall, restricted and unrestricted net income is better than projected at this point in the year.

Unrestricted net income is \$1.6 million better than budgeted as of August. AHD is performing better than projected due to increased proration in administrative fee revenue in the HUD Grant Income line and a reduction in expenses. The receipt of developer fees on two projects in August has improved the net income for P&CD. These two divisions are the biggest contributors to the variance in unrestricted net income.

Restricted net income is less than budgeted at this point in the year. HSM is doing slightly worse than budget due to higher maintenance and non-operating expenses, which will smooth out during the year as additional revenue is earned and reserve draws are completed.

Fresno Housing Authority  
Financial Results as of September 30, 2017


|                                 | Core          |            |                                     | Inst.         |            |             | P&CD          |            |             | AHD           |             |             | HSM           |            |             | UP            |            |             | Fresno Housing Authority |            |             | YTD \$<br>Variance | YTD %<br>Variance | % of<br>Budget<br>Remaining |
|---------------------------------|---------------|------------|-------------------------------------|---------------|------------|-------------|---------------|------------|-------------|---------------|-------------|-------------|---------------|------------|-------------|---------------|------------|-------------|--------------------------|------------|-------------|--------------------|-------------------|-----------------------------|
|                                 | Annual Budget | YTD Budget | YTD Actuals                         | Annual Budget | YTD Budget | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget | YTD Budget  | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget            | YTD Budget | YTD Actuals |                    |                   |                             |
| OPERATING BUDGET                |               |            |                                     |               |            |             |               |            |             |               |             |             |               |            |             |               |            |             |                          |            |             |                    |                   |                             |
| INCOME                          |               |            |                                     |               |            |             |               |            |             |               |             |             |               |            |             |               |            |             |                          |            |             |                    |                   |                             |
| NET TENANT INCOME               | -             | -          | -                                   | -             | -          | -           | -             | -          | -           | -             | -           | -           | 5,537,820     | 4,153,365  | 4,340,278   | 2,031,872     | 1,523,904  | 1,672,772   | 7,569,692                | 5,677,269  | 6,013,050   | 335,781            | 6%                | 21%                         |
| INTEREST INCOME                 | -             | -          | 4,416                               | 850,800       | 638,100    | 526,414     | -             | -          | -           | (141)         | (106)       | 36,031      | 77,017        | 57,763     | 42,458      | -             | -          | 4           | 927,676                  | 695,757    | 609,324     | (86,433)           | -12%              | 34%                         |
| OTHER INCOME                    | 940,298       | 705,224    | 313,983                             | 430,400       | 322,800    | 763,473     | 25,752        | 19,314     | 78,595      | 919,954       | 689,966     | 804,864     | 133,866       | 100,400    | 190,273     | 27,555        | 20,666     | 38,342      | 2,477,825                | 1,858,369  | 2,189,530   | 331,161            | 18%               | 12%                         |
| ADMIN & MANAGEMENT FEE INCOME   | 8,225,798     | 6,169,349  | 5,301,228                           | 150,000       | 112,500    | 55,172      | -             | -          | -           | 10,961        | 8,221       | 27,721      | 78            | 59         | 780         | -             | -          | -           | 8,386,837                | 6,290,128  | 5,384,901   | (905,227)          | -14%              | 36%                         |
| DEVELOPER FEE INCOME            | -             | -          | -                                   | -             | -          | -           | 5,185,792     | 3,892,103  | 3,387,218   | -             | -           | -           | -             | -          | -           | -             | -          | -           | 5,185,792                | 3,892,103  | 3,387,218   | (504,885)          | -13%              | 35%                         |
| HUD GRANT INCOME                | -             | -          | -                                   | -             | -          | -           | -             | -          | -           | 9,132,822     | 6,849,617   | 7,029,037   | 4,969,291     | 3,726,968  | 3,577,823   | -             | -          | -           | 14,102,113               | 10,576,585 | 10,606,860  | 30,276             | 0%                | 25%                         |
| OTHER GRANT INCOME              | -             | -          | -                                   | -             | -          | -           | -             | -          | -           | 2,185,668     | 1,639,251   | 621,834     | 827,645       | 620,734    | 373,662     | 30,420        | 22,815     | 13,815      | 3,043,733                | 2,282,800  | 1,009,312   | (1,273,488)        | -56%              | 67%                         |
| TOTAL INCOME                    | 9,166,096     | 6,874,572  | 5,619,627<br>(391,241)<br>(868,121) | 1,431,200     | 1,073,400  | 1,345,058   | 5,211,544     | 3,911,417  | 3,465,813   | 12,249,264    | 9,186,948   | 8,519,489   | 11,545,717    | 8,659,288  | 8,525,274   | 2,089,847     | 1,567,385  | 1,724,933   | 41,693,668               | 31,273,010 | 29,200,195  | (2,072,815)        | -7%               | 30%                         |
| EXPENSES                        |               |            |                                     |               |            |             |               |            |             |               |             |             |               |            |             |               |            |             |                          |            |             |                    |                   |                             |
| PAYROLL EXPENSES                | 5,941,548     | 4,456,161  | 4,152,644                           | -             | -          | -           | 1,194,986     | 896,240    | 951,540     | 6,668,740     | 5,001,555   | 4,317,866   | 2,847,970     | 2,135,978  | 1,983,003   | 273,951       | 205,463    | 245,845     | 16,927,195               | 12,695,396 | 11,650,897  | (1,044,499)        | -8%               | 31%                         |
| ADMINISTRATIVE EXPENSES         | 3,414,896     | 2,561,172  | 1,875,234                           | 609,800       | 457,350    | 706,651     | 1,804,394     | 1,353,296  | 308,373     | 5,408,146     | 4,056,110   | 3,825,896   | 2,387,791     | 1,790,843  | 1,770,340   | 156,774       | 117,581    | 169,788     | 13,781,801               | 10,336,351 | 8,656,282   | (1,680,069)        | -16%              | 37%                         |
| TENANT SERVICES EXPENSES        | 53,000        | 39,750     | 10                                  | -             | -          | -           | -             | -          | -           | 1,697,019     | 1,272,764   | 378,539     | 16,880        | 12,660     | 73,480      | 4,835         | 3,627      | 245         | 1,771,734                | 1,328,801  | 452,273     | (876,528)          | -66%              | 74%                         |
| UTILITY EXPENSES                | 176,850       | 132,638    | 114,623                             | -             | -          | -           | -             | -          | -           | 62,000        | 46,500      | 131,712     | 1,870,791     | 1,403,093  | 1,320,426   | 196,355       | 147,266    | 179,980     | 2,305,996                | 1,729,497  | 1,746,741   | 17,244             | 1%                | 24%                         |
| MAINTENANCE EXPENSES            | 532,456       | 399,342    | 306,837                             | 35,000        | 26,250     | 9,916       | 6,690         | 5,018      | 4,094       | 46,783        | 35,087      | 43,038      | 1,495,430     | 1,121,572  | 1,427,370   | 544,350       | 408,263    | 403,697     | 2,660,709                | 1,995,532  | 2,194,953   | 199,421            | 10%               | 18%                         |
| TAXES & INSURANCE EXPENSES      | 29,890        | 22,418     | 17,128                              | 18,300        | 13,725     | 5,424       | 2,583         | 1,937      | 10,647      | 3,493         | 2,620       | 5,034       | 353,356       | 265,017    | 356,113     | 27,554        | 20,665     | 36,395      | 435,176                  | 326,382    | 430,742     | 104,360            | 32%               | 1%                          |
| TOTAL EXPENSES                  | 10,148,640    | 7,611,480  | 6,466,475                           | 663,100       | 497,325    | 721,991     | 3,008,653     | 2,256,490  | 1,274,654   | 13,886,181    | 10,414,635  | 8,702,084   | 8,972,218     | 6,729,163  | 6,930,733   | 1,203,819     | 902,864    | 1,035,951   | 37,882,611               | 28,411,959 | 25,131,888  | (3,280,071)        | -12%              | 34%                         |
| NET OPERATING INCOME            | (982,544)     | (736,908)  | (846,848)                           | 768,100       | 576,075    | 623,067     | 2,202,891     | 1,654,927  | 2,191,160   | (1,636,917)   | (1,227,687) | (182,596)   | 2,573,499     | 1,930,124  | 1,594,541   | 886,028       | 664,521    | 688,982     | 3,811,057                | 2,861,051  | 4,068,307   | 1,207,255          | 42%               | -7%                         |
| NON-OPERATING EXPENSES          |               |            |                                     |               |            |             |               |            |             |               |             |             |               |            |             |               |            |             |                          |            |             |                    |                   |                             |
| TOTAL NON-OPERATING EXPENSES    | -             | -          | -                                   | -             | -          | -           | -             | -          | 46          | 222,737       | 167,053     | 107,272     | 713,913       | 535,435    | 682,987     | 43,700        | 32,775     | 24,077      | 980,350                  | 735,262    | 814,383     | 79,121             | 11%               | 17%                         |
| TOTAL FINANCING EXPENSES        | 175,000       | 140,000    | 140,000                             | -             | -          | 250         | -             | -          | -           | -             | -           | -           | 255,936       | 191,952    | 421,268     | 329,784       | 247,338    | 151,266     | 760,720                  | 579,290    | 712,783     | 133,493            | 23%               | 6%                          |
| TOTAL ADJUSTMENTS & OPERATING T | 20,000        | 15,000     | -                                   | -             | -          | -           | -             | -          | 2,340       | -             | -           | -           | -             | -          | -           | -             | -          | -           | 20,000                   | 15,000     | 2,340       | (12,660)           | 0%                | 88%                         |
| TOTAL NON-OPERATING EXPENSES    | 195,000       | 155,000    | 140,000                             | -             | -          | 250         | -             | -          | 2,386       | 222,737       | 167,053     | 107,272     | 969,849       | 727,387    | 1,104,255   | 373,484       | 280,113    | 175,343     | 1,761,070                | 1,329,552  | 1,529,506   | 199,954            | 15%               | 13%                         |
| NET CASH FLOW                   | (1,177,544)   | (891,908)  | (986,848)                           | 768,100       | 576,075    | 622,817     | 2,202,891     | 1,654,927  | 2,188,773   | (1,859,654)   | (1,394,740) | (289,868)   | 1,603,650     | 1,202,738  | 490,286     | 512,544       | 384,408    | 513,639     | 2,049,987                | 1,531,499  | 2,538,800   | 1,007,301          | 66%               | -24%                        |
| UNRESTRICTED CASH FLOW          | (1,177,544)   | (891,908)  | (986,848)                           |               |            |             | 2,202,891     | 1,654,927  | 2,188,773   | (1,859,654)   | (1,394,740) | (289,868)   |               |            |             | 512,544       | 384,408    | 513,639     | (321,763)                | (247,313)  | 1,425,697   | 1,673,010          | 676%              | 543%                        |

## BOARD UPDATE

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**TO:** Boards of Commissioners  
 Fresno Housing Authority  
**DATE:** November 15, 2017  
**AUTHOR:** Angie Nguyen  
**FROM:** Preston Prince, CEO/Executive Director   
**SUBJECT:** Barbara Poppe Visit to Fresno November 6-9, 2017

Fresno Housing and the Fresno Madera Continuum of Care engaged Barbara Poppe to perform a high level review of the community response to homelessness, including dissection of the local crisis response, inflow and intersection with local institutional systems and local affordable housing resources. Ms. Poppe brought a wealth of experience to the work; from 2009-2014 she held the position of Executive Director for the U.S. Interagency Council on Homelessness. In that role, Ms. Poppe assisted in the launch of *Opening Doors* – the first federal strategic plan to prevent and end homelessness.

Ms. Poppe held a series of meetings over the week – a community stakeholder meeting including members of the Fresno Madera Continuum of Care and other key leaders of service agencies; separate stakeholder meetings with Directors of various departments of the County of Fresno; City of Fresno officials including Mayor Lee Brand and Councilman Steve Brandau; Fresno Housing Board of Commissioners; stakeholders from the business and philanthropy community organized by former Mayor Ashley Swearengin; and Veteran serving organizations including the Department of Veteran Affairs.

To perform her analysis, Ms. Poppe utilized several data points including the Point in Time trends, a permanent supportive housing cost study performed in 2010, and rental tenancy rates in terms to income/rent paid ratio and rental vacancy rates. A summary of major points follows.

– The City Consolidated Plans revealed 32% of very low income renter households and 15% of owner households pay more than 30% of income for rent; some as high as more than 50%. In the County, almost 70% of very low income households pay more than 50% of income for rent. This suggests that Fresno households are severely rent burdened; as such an argument for increased affordable housing development.

- While Fresno has done better at reducing homelessness than other cities in California, - reduction of 56% in Fresno vs. 15% in California – the community needs to understand the reason for inflow to homelessness in an

effort to craft prevention strategies upstream. Similarly, as Fresno has an admirable crisis response system, discussion revealed resources should be widened, networked and aligned.

- Humanitarian influences are an important part of community discussion; however, the cost of homelessness on institutional systems such as medical and corrections are equally relevant. Cost savings in these systems may not be immediately tangible; resultant efficiencies and effectiveness are advantageous.

In next steps, Ms. Poppe, based on stakeholder discussions held, will compile a report complete with recommendations of strategies to reduce inflow, strengthen the crisis response system and increase permanent housing options. It is expected the first draft will be completed in December, with a final report completed in January.

## BOARD UPDATE

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**TO:** Boards of Commissioners  
Fresno Housing Authority

**DATE:** November 15, 2017

**AUTHOR:** Tracewell Hanrahan

**FROM:** Preston Prince, CEO/Executive Director



**SUBJECT:** Update on HUD Monitoring Review

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### Executive Summary

The purpose of this board update is to provide the Boards with information on the status of the HUD Monitoring Review. A draft executive summary and report was received by staff in late September. Staff reviewed the information and asked for clarification on a number of items in the report. Subsequently, HUD staff in the PIH San Francisco Office has been extremely helpful in providing additional information through a series of phone calls and emails. Staff is now working on a final response due to HUD on November 30, 2017.

Staff will be presenting an overview of the report and the Agency's final response during the December Board Meeting.