



FINANCE COMMITTEE MEETING MAY 20, 2021



BOARD OF COMMISSIONERS

Dr. Ana "Cha" Guzmán
Chair

Jessica Weaver
Vice Chair

Olga Kauffman
Commissioner

Gabriel Lopez
Commissioner

Ignacio Perez
Commissioner

Ruth Rodriguez
Commissioner

INTERIM PRESIDENT & CEO

Ed Hinojosa, Jr.

**SAN ANTONIO HOUSING AUTHORITY
FINANCE COMMITTEE or
**SPECIAL BOARD MEETING
TELECONFERENCE**

**Call In Phone Number: (346) 248-7799
Meeting ID: 93839434337# Passcode: 654170#
1:30 p.m., Thursday, May 20, 2021**

The Board of Commissioners will convene for a Committee, or Special Board meeting, by teleconference, for discussion on the following matters:

MEETING CALLED TO ORDER

1. The Board of Commissioners or its Committee may hold a closed meeting pursuant to Texas Government Code § 551.071-076 for consultation concerning attorney-client matters, real estate, litigation, personnel, and security matters. The Board or Committee reserves the right to enter into closed meeting at any time, during the course of the meeting.

PUBLIC COMMENT

2. Public Comment - Citizens are provided up to three minutes each to speak to any agenda items. Citizens wishing to speak to items posted on the agenda should access Phone Number: **(346) 248-7799** and enter Meeting ID: **93839434337#** and Passcode: **654170#**, prior to **1:30 p.m.** A Spanish/English translator will be available to citizens needing translation.

Now is the time for public comments. The Board asks the public to address concerns related to SAHA matters and policy and not include statements that may be considered defamatory of any individual. The Board encourages members of the public to direct specific concerns or problems to SAHA staff for more prompt resolution. The Board will not discuss the comments of speakers or respond to speakers during the public comment portion of the agenda.

INDIVIDUAL ITEMS

3. Consideration and appropriate action regarding Resolution 6141, approving the Consolidated Operating Budget for the San Antonio Housing Authority and its affiliated entities for the fiscal year ending June 30, 2022 (Diana Kollodziej Fiedler, Director of Finance and Accounting)
4. Consideration and appropriate action regarding Resolution 6142, authorizing the Interim President and CEO to renew or place insurance policies covering property, liability, cyber liability, excess/umbrella, directors and officers, employment practices, workers' compensation, automobile fleet, fiduciary, fidelity, flood, and boiler and machinery for the San Antonio Housing Authority and its affiliated entities, for Fiscal Year 2021-2022, for an estimated amount of \$4,304,042.00 (Diana Kollodziej Fiedler, Director of Finance and Accounting)

5. Consideration and appropriate action regarding Resolution 6149, adopting the San Antonio Housing Authority Internal Audit Plan for Fiscal Year 2021-2022 (Aiyana Longoria, Director of Internal Audit)

REPORTS

- Quarterly Financial Report
- Quarterly Internal Audit Update

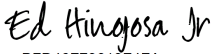
6. Adjournment

*Note: Whenever the Texas Open Meetings Act (Section 551.001 et seq. of the Texas Government Code) provides for a closed meeting in matters concerning legal advice, real estate, contracts, personnel matters, or security issues, the Board may find a closed meeting to be necessary. For convenience of the citizens interested in an item preceded by an asterisk, notice is given that a closed meeting is contemplated. However, the Board reserves the right to go into a closed meeting on any other item, whether it has an asterisk, when the Board determines there is a need and a closed meeting is permitted.


**Note: If a quorum of the Board of Commissioners attends the Committee Meeting, this meeting becomes a Special Meeting of the Board, but no Board action will be taken other than recommendations to the full Board, unless the full Board is present.

BOARD OF COMMISSIONERS
Finance Committee

RESOLUTION 6141, APPROVING THE CONSOLIDATED OPERATING BUDGET FOR THE SAN ANTONIO HOUSING AUTHORITY AND ITS AFFILIATED ENTITIES FOR THE FISCAL YEAR ENDING JUNE 30, 2022

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Ed Hinojosa, Jr.
Interim President and CEO

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Diana Kollodziej Fiedler
Director of Finance and Accounting

REQUESTED ACTION:

Consideration and appropriate action regarding Resolution 6141, approving the Consolidated Operating Budget for the San Antonio Housing Authority and its affiliated entities for the fiscal year ending June 30, 2022.

SUMMARY:

The budget is to help the agency plan operational activities, while considering established goals with respect to the current and future funding environment. The budget has been developed in support of the San Antonio Housing Authority's 2025 Impact and Innovation Plan Outcomes:

Staff-focused Outcomes

- SAHA staff respect and value diversity and inclusion
- SAHA staff thrive in career and professional work

Resident-focused Outcomes

- SAHA residents have a sufficient supply of affordable housing options
- SAHA resident live in quality affordable housing
- SAHA residents feel safe
- SAHA residents have access to sufficient utilities
- SAHA residents have sufficient food, water, and clothing

All departmental and operational budgets were prepared in accordance with the following directives:

- All SAHA budgets are based on the Agency's 2025 Impact and Innovation Plan Outcomes.
- Section 8 HAP is budgeted at 98% funding proration with our MTW Target Utilization of 12,240 vouchers.
- For Section 8 Administration, we budgeted average funding at 80% proration. The budget for Section 8 Administration includes continued efforts towards efficiency improvement and cost reduction.
- Public Housing property budgets reflect subsidy funding of 94.85% proration, accordingly, all cost budgets are consistent with this projected funding level. Target occupancy is 97%; however, due to the effects of COVID-19, this figure could be impacted.
- Target occupancy is an average of 95% for the Beacon properties.

SAN ANTONIO HOUSING AUTHORITY**May 20, 2021**

- Development Services budgets are consistent with the 5-year development plan.

Staff has been working on the Fiscal Year 2021-2022 budget process since October 2020. While staff continues to monitor the federal funding news, budgets were prepared using conservative estimates based on available information. Staff is pleased to present an overall balanced budget for the 2021-2022 fiscal year.

Managers worked diligently to produce operating budgets for their areas of responsibility. Officers and Directors have met with the Executive team to present their budgets and have made all appropriate adjustments.

Staff has focused on making prudent departmental and budgetary decisions, especially during this changing funding environment, as well as the continued impact of COVID-19. SAHA recognized the impact of COVID-19 was not just to our staff but our residents having to transition to a virtual world. As operations continue to adjust to a virtual environment, we will continue to assess the needs of our families and explore what resources/training is needed for them. The agency will also continue identifying and implementing solutions that will build on existing strengths, and deliver services effectively and efficiently, while being innovative, ethical, and nimble.

Following review by the Finance Committee, the budget will be presented to the full Board of Commissioners for consideration and approval at the June 3, 2021, meeting.

FINANCIAL IMPACT:

The proposed budget will be implemented for the Fiscal Year starting July 1, 2021, and ending June 30, 2022. Financial performance versus budget will be reported back to the Finance Committee on a periodic basis throughout the year.

STRATEGIC OUTCOME:

Supports all strategic outcomes.

ATTACHMENTS:

Resolution 6141
HUD form 52574
Presentation

**San Antonio Housing Authority
Resolution 6141**

RESOLUTION 6141, APPROVING THE CONSOLIDATED OPERATING BUDGET FOR THE SAN ANTONIO HOUSING AUTHORITY AND ITS AFFILIATED ENTITIES FOR THE FISCAL YEAR ENDING JUNE 30, 2022

WHEREAS, the fiscal year of the San Antonio Housing Authority and its affiliated entities runs from July 1 through June 30; and

WHEREAS, the Commissioners of the San Antonio Housing Authority are responsible for the adoption of its operating budget under its Rules of Governance; and

WHEREAS, the U.S. Department of Housing and Urban Development requires the San Antonio Housing Authority adopt a public housing budget for its approval; and

WHEREAS, the San Antonio Housing Authority has prepared a Consolidated Operating Budget that maintains the long-term financial health of the agency and the ability to provide quality housing and services; and

WHEREAS, SAHA Moving to Work (MTW) funds are obligated consistent with the MTW Plan for the following:

- 1) Section 8 Funding Shortfall - \$200 Thousand
- 2) Public Housing Operating Shortfall - \$2.8 Million
- 3) Program Administration and Implementation of MTW Initiatives - \$1.9 Million
- 4) Capital Planning - \$500 Thousand
- 5) Alazan Predevelopment Costs - \$2 Million
- 6) Expansion of Public Housing Wi-fi - \$2.4 Million
- 7) Highland Park Property Support - \$1 Million
- 8) Preservation and Expansion of Affordable and Public Housing - \$27.8 Million

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Antonio Housing Authority, hereby:

- 1) Reviewed the Consolidated Budget and has found that the final plan is reasonable in that it indicates a source of funding adequate to cover proposed expenditures; and
- 2) Approves Resolution 6141, approving the Consolidated Operating Budget for the San Antonio Housing Authority and its affiliated entities for the Fiscal Year Ending June 30, 2022, and the obligation of funds as described in this Resolution and included in the referenced Consolidated Operating Budget; and

- 3) Authorizes the Interim President and CEO to submit and sign the HUD forms related to this Operating Budget.

Passed and approved the 3rd day of June 2021.

Ana M. "Cha" Guzman
Chair, Board of Commissioners

Attested and approved as to form:

Ed Hinojosa, Jr.
Interim President and CEO

Public reporting burden for this collection of information is estimated to average **10 minutes per response**, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: San Antonio Housing Authority PHA Code: TX006

PHA Fiscal Year Beginning: 07/01/2021 Board Resolution Number: 6141

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- Operating Budget approved by Board resolution on: 06/03/2021
- Operating Budget submitted to HUD, if applicable, on:
- Operating Budget revision approved by Board resolution on:
- Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name: Ana M. "Cha" Guzman	Signature:	Date: 06/03/2021
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Budget Workshop

Proposed Goals and Budget Fiscal Year 2021-2022

Finance Committee

May 20, 2021

AGENDA

I. Background

- SAHA Significant Accomplishments in FY 2020-2021
- Guiding Principles and Strategic Plan Alignment

II. Funding Environment

- Who We Serve
- Federal Funding Trend

III. SAHA FY 2021-2022 Budget

- FY 2021-2022 Consolidated Budget - Revenues and Expenses
- MTW Proposed Uses
- SAHA Staffing Count and Organizational Chart
- Agency Goals and Priorities

SAHA and Partner FY 20–21 Accomplishments

3

- Created the **COVID-19 Emergency Preparedness Plan**, created **emergency communications** to residents and the general public, created **COVID-19 Response webpage**, and produced an active social media presence to keep the community current with updates and resources relevant to the coronavirus.
- Launched a successful **Education Celebration Month campaign** which helped 1,025 students and families through various education initiatives and raised \$32,350.00 for the Education Investment Foundation and ConnectHomeSA.
- **SAHA became a national sensation** when hundreds across the city collectively donated nearly \$20,000.00, and more than 2,000 toys to replace toys stolen at Alazan-Apache Courts the day before a scheduled toy distribution. The large toy distribution was held at the Central Office.
- Closed out the Agency's 10-year Strategic Plan and **created the new 2025 Impact and Innovation Plan.**

SAHA and Partner FY 20–21 Accomplishments

(continued)

- Hosted six virtual **groundbreakings** this year to celebrate 1,186 affordable housing units - the following new developments will bring to the city:
 - Culebra Crossing
 - Scott at Medio Creek
 - Aspire at Tampico
 - Majestic Ranch
 - Legacy at Alazan
 - 100 Labor

Budget Guiding Principles & Goals

I. Budget Guiding Principles

- Improve quality of life for residents
- Preserve and expand affordable housing
- Strengthen SAHA's basic internal services, systems, and staff capacity

II. Goals Consistent with the 2025 Impact and Innovation Plan Outcomes:

Staff-focused Outcomes

- SAHA staff respect and value diversity and inclusion
- SAHA staff thrive in career and professional work

Resident-focused Outcomes

- SAHA residents have a sufficient supply of affordable housing options
- SAHA residents live in quality affordable housing
- SAHA residents feel safe
- SAHA residents have access to sufficient utilities
- SAHA residents have sufficient food, water, and clothing

THE NEED IN SA



6

Nearly 25%

of San Antonio renters spend more than half of their income on housing

47,301

Households on the public housing and housing choice voucher waitlist

WHO WE SERVE

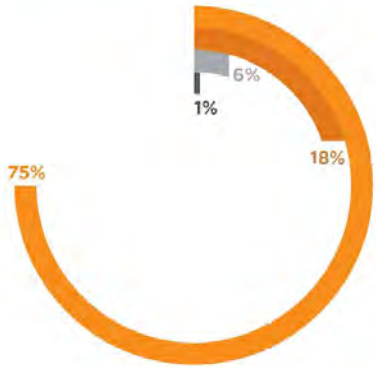


57,000

individuals housed

27,000

children (48%)



RACE/ETHNICITY

- Hispanic/Latino (75%)
- African American (18%)
- White (6%)
- Other (1%)

97%

are very low-income
(50% of area median income and below)

8%

of San Antonio rental market

FINANCIAL BARRIERS

\$10,032

Median Income
(\$50,980 San Antonio; \$72,000 SA-NB Metro)

52%

on a fixed income

53%

are elderly and/or disabled

32%

are earning wages

\$247

median household rent

MEDIAN TENURE



- Older householder
- Householder with disability
- Work-able householder

CDI RESIDENT SERVICES

Case Management Programs

6,110

INDIVIDUALS SERVED*

FSS (HCV/PH) 2,002

ROSS (PH) 1,627

EDS (PH) 1,311

CHSA/EIF/HPOG 1,170

Youth Resources Distribution Events

3,081

YOUTH SERVED

SCHOOL SUPPLIES 1,140

BOOKS 1,316

COMPUTER DEVICES 200

BIKES 46

TOY DRIVE 2,000

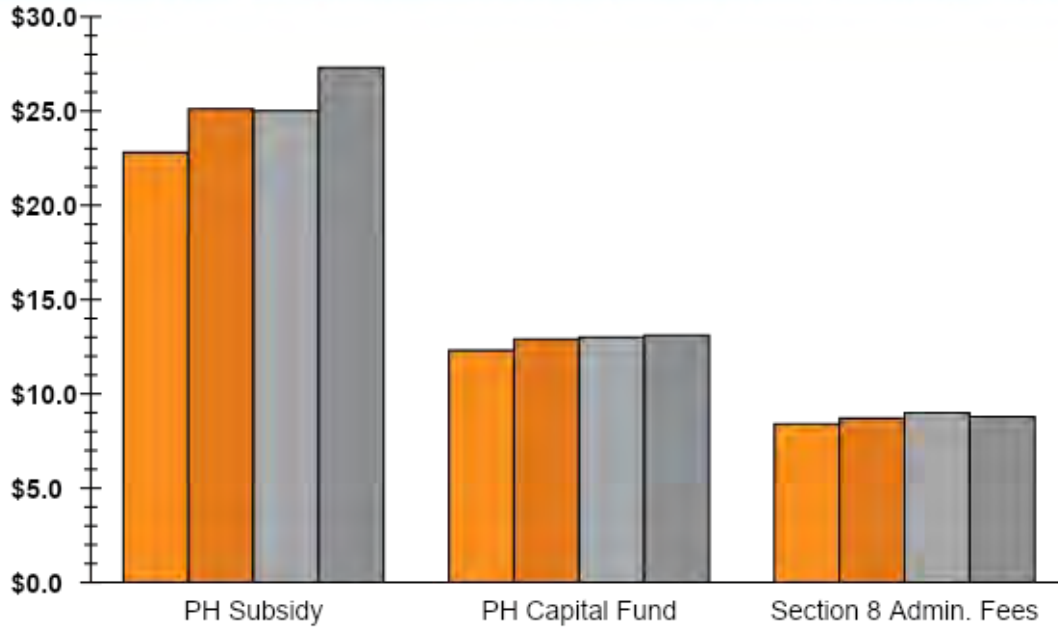
Wellness Checks

19,781

RESIDENTS CONTACTED

**Figures do not include select Beacon Communities served by CDI: Science Park, O'Connor, and Refugio*

Federal Funding Trend

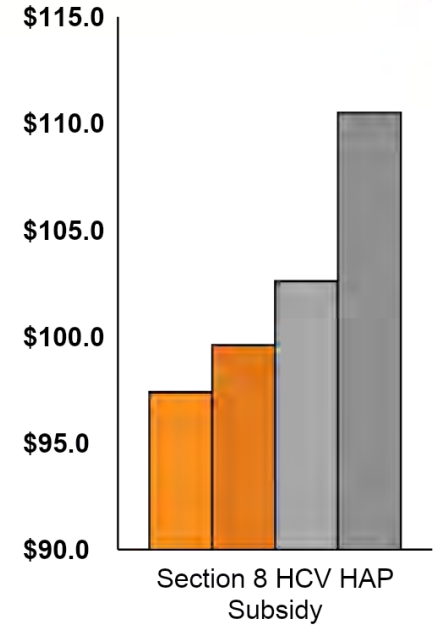


Percentage Change
2021 vs 2020

9.20%

0.77%

-2.22%



Section 8 HCV HAP
Subsidy
7.70%

- Section 8 Housing Choice Voucher information indicated above does not include any Section 8 special programs
- Section 8 Choice Voucher HAP proration was 99.7% in 2018, 99.5% in 2019, 99.4% in 2020 and 100% in 2021
- Section 8 Admin Fee proration was 80.06% in 2018, 81.1% in 2019, 81% in 2020 and is projected to be 80% in 2021
- PH Operating Fund proration was 94.74% in 2018, 97.86% in 2019, 97.05% for 2020 and is projected to be 95.62% for 2021

The Conversation about Funding has Changed

On March 11, 2021, President Biden signed into law The American Rescue Plan Act of 2021 providing \$1.9 trillion emergency funding relief for people impacted by the pandemic.

- The bill approved more than \$30 billion in additional housing and rent relief with \$5 billion going directly to HUD for Emergency Housing Vouchers. At this point we have no further information on how this will impact the agency directly.

The \$2 trillion American Jobs Plan proposed by President Biden still requires congressional approval, which the President hopes to obtain by the end of this summer. The bill includes a \$40 billion commitment to recapitalize public housing infrastructure which is expected to create more than 440,000 jobs and generate \$76 billion in economic activity.

The Green New Deal proposed by Sen. Bernie Sanders and Rep. Alexandria Ocasio-Cortez still requires congressional approval. The bill would provide \$172 billion to retrofit over 950,000 existing housing units and upgrade building electrification and water quality. It would repeal the Faircloth Amendment, which restricts the building of new public housing developments.

The President's 2022 funding request includes \$68.7 billion for HUD, a \$9 billion or 15% increase from the 2021 enacted level. It proposes:

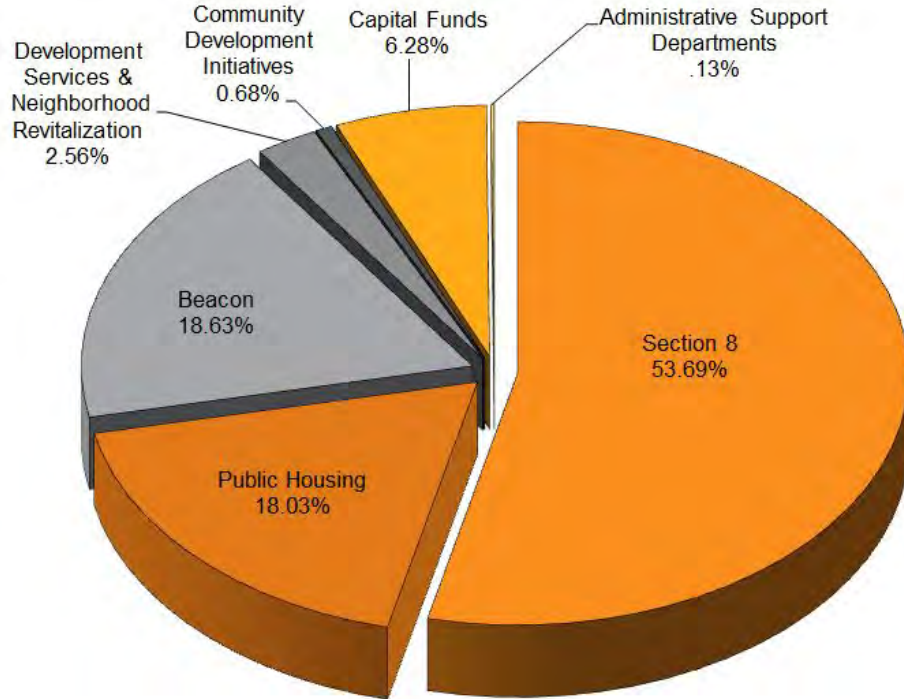
- \$30.4 billion for the Housing Choice Voucher program, a substantial increase of \$5.4 billion over the 2021 enacted level, which will allow the program to serve an additional 200,000 families.
- \$3.2 billion for the Public Housing Capital Fund, an increase of \$435 million over the 2021 enacted level.
- \$3.5 billion for Homeless Assistance Grants allowing the program to support more than 100,000 additional households, an increase of \$500 million over the 2021 enacted level.
- \$800 million in new investments for modernization and rehabilitation including to fully fund the operating costs of affordable housing to low-income families.
- \$500 million increase to HOME Investment Partnership Programs for a total of \$1.9 billion.

Calendar Year Average HAP per Unit

Year	HAP Cost Per Unit	Dollar Increase	Percent Increase
2015	554.87	-	-
2016	571.10	16.23	2.93%
2017	589.87	18.77	3.29%
2018	618.65	28.78	4.88%
2019	631.23	12.58	2.03%
2020	647.68	16.45	2.61%
Projected 2021	668.04	20.36	3.23%

FY 2022 Consolidated Revenue (Sources)

\$209.9 Million

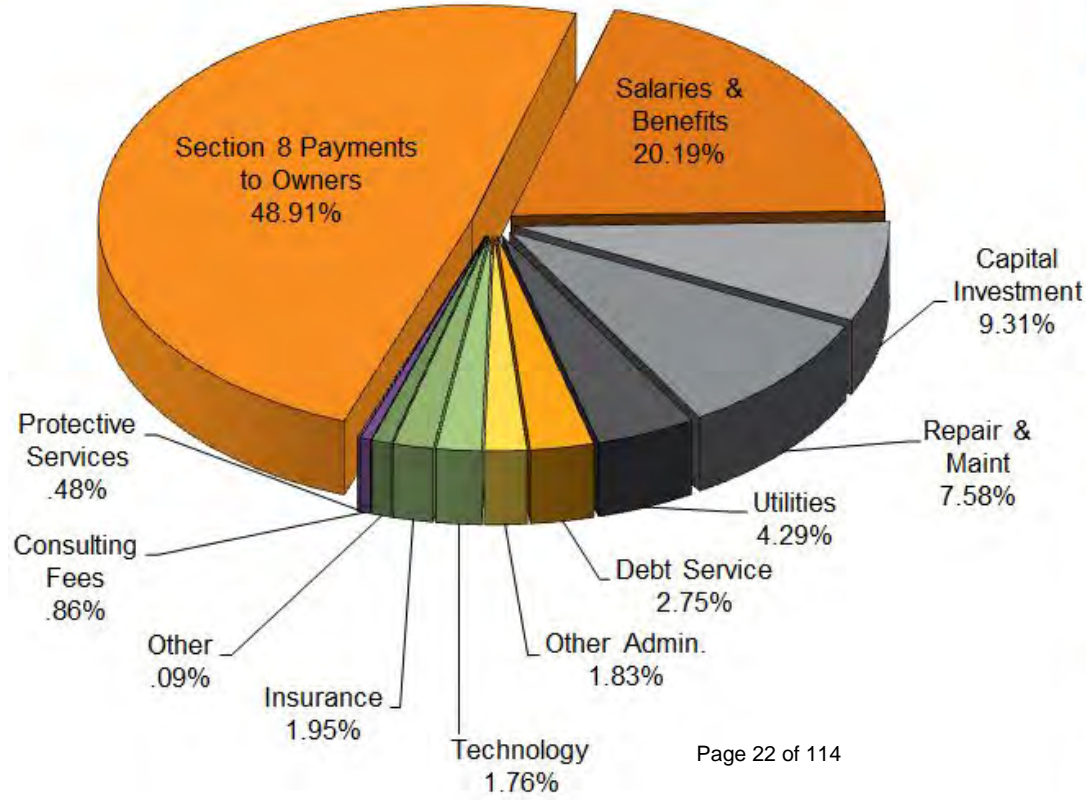


Line of Business	Projected Revenue (Mil) \$209.9
Section 8 (HAP & Admin Fee)	\$112.7
Public Housing	\$ 37.8
Beacon	\$ 39.1
Real Estate Services	\$ 5.4
Community Initiatives	\$ 1.4
Capital Funds	\$13.2
Administrative Support departments	\$ 0.3

- Revenue above reflects Fiscal Year funding as opposed to FY 2021, which reflects HUD Calendar Year funding
- Section 8 Revenue includes all special programs

FY 2022 Consolidated Use of Funds

\$209.9 Million



Budget Line Item	Projected Expenses (Mil)
Section 8 Payments to Owners	\$102.7
Salaries & Benefits	\$42.4
Repair & Maint (Non-Capital)	\$15.9
Capital Investment	\$19.5
Utilities	\$9.0
Debt Service Interest	\$5.8
Admin. & Other	\$3.8
Insurance	\$4.1
Technology	\$3.7
Consulting Fees	\$1.8
Protective Services	\$1.0
Other	\$0.2

Budget by Line of Business (Millions)

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Balanced Budget

Description	Public Housing	Section 8	Beacon	Real Estate	Central Office	CDI/MTW Initiatives	Subtotal
Operating Revenue	\$ 37.0	\$ 112.6	\$ 38.9	\$ 6.3	\$ 1.5	\$ 1.4	\$ 197.7
Operating Expenses							
HAP Expense	-	102.7	-	-	-	-	
Salaries and Benefits	13.3	5.0	9.2	1.1	11.1	2.6	
Repairs and Maintenance	9.8	-	5.8	0.1	0.3	-	
Utilities	5.2	-	3.6	-	0.1	-	
Protective Services	0.4	-	0.3	-	0.3	-	
Insurance	1.5	0.1	2.2	-	0.2	-	
Other Expenses	2.7	1.7	1.9	1.0	2.4	0.8	
Total Operating Expenses	32.9	109.5	23.0	2.2	14.4	3.4	185.4
Net Operating Income	\$ 4.1	\$ 3.1	\$ 15.9	\$ 4.1	\$ (12.9)	\$ (2.0)	\$ 12.3
Interest Income	\$ 0.9	0.0	0.3	0.6	0.0	0.0	1.8
Non-Operating Income & Expenses ¹	(7.8)	(3.3)	(11.4)	-	13.5	0.1	(8.9)
Net Surplus or (Deficit) ²	\$ (2.8)	\$ (0.2)	\$ 4.8	\$ 4.7	\$ 0.6	\$ (1.9)	\$ 5.2

¹ Management Fee and Interest Expense are the primary sources of the listed Non-Operating Expenses, but also includes Replacement/Extraordinary items.
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² Beacon net surplus of \$4.8 does not include \$3.1 million in principal payments on loans or any bank required debt service coverage ratio which averages 1.18%.

Proposed Uses of SAHA MTW Funds

Priority	Purpose	Amount (in Mil)
Section 8	To enable Section 8 to continue to serve residents in spite of increased costs due to COVID-19	\$0.2
Public Housing	To enable the Public Housing Program to continue to serve residents in spite of increased costs due to COVID-19	\$2.8
Community Development Initiatives	<ul style="list-style-type: none"> • Expand service coordination to more residents • Implement LifeWorks Self-Sufficiency Matrix as resident assessment to track outcomes across CDI programs • Launch Apricot case management system and improve entry, monitoring, and reporting of all CDI data • Design partner-reciprocated waiting list preferences for clients who have met benchmarks in partner self-sufficiency programs • Complete Resident Council Model Evaluation and implement new model with support from PH residents and staff • Launch SAHA volunteer program • Implement Jobs Plus Program at Lincoln Heights upon receiving notice of award • Launch resident apprenticeship pilot program 	\$1.9
Other Uses	<ul style="list-style-type: none"> • Capital Planning • Alazan Predevelopment • Expansion of Public Housing Wi-Fi • Highland Park • Preservation and expansion of affordable and public housing 	<p>\$0.5</p> <p>\$2.0</p> <p>\$2.4</p> <p>\$1.0</p> <p>\$27.8</p>
Total Proposed Use of SAHA MTW Funds		\$38.6

Beacon Five Year Capital Plan

- The total 5-year Capital Plan is \$24M with most expenses in years 1-3. All capital improvements are projected to be funded through property debt and reserves. Capital projects are based on the properties' condition and are heavily dependent on the level of deferred maintenance that require correction.
- By year 3, the refinancing plan for the current SAHA owned portfolio is projected to be complete. Once the partnership interest is acquired in the individual tax credit properties, capital planning will be based on property needs and refinancing opportunities and will coincide with the portfolio transition from Asset Management to Beacon.

CFP Five Year Capital Plan

	Total	Current	Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
CFP Uses for Capital Projects:							
A&E and Construction Management	2,340,066	340,066	400,000	400,000	400,000	400,000	400,000
PHA Wide - (TBD) Emergency/Unscheduled Repairs, etc.	4,680,321	420,500	1,524,691	650,000	650,000	650,000	785,130
Alazan - Redevelopment	24,000,000	0	0	6,000,000	6,000,000	6,000,000	6,000,000
Blanco - Chiller Replacement and Upgrade	228,277	228,277					
Fair Avenue - Sprinkler System CO	25,000	25,000					
Madonna - Boiler and Gas Line Replacement	2,000,000	1,190,014	809,986				
Parkview - Elevator Doors	6,852	6,852					
Pin Oak I - Elevator Repairs	24,680	24,680					
San Pedro Arms - Elevator Repairs	31,005	31,005					
Villa Tranchese - Asbestos Consultant Services	152,695	152,695					
Cassiano - 2424 Chihuahua - Foundation	200,000		200,000				
Cross Creek - Parking Lot Repairs	120,000		120,000				
Highview - Storm Drainage	161,200		161,200				
Mirasol Homes - Roofing	1,209,800		1,209,800				
San Pedro Arms - Elevator Modernization	90,145		90,145				
South San - Drainage Repairs	161,200		161,200				
T.L. Shaley - Foundation Repairs - 827 & 829 Rita	278,814		278,814				
Villa Veramendi - Roofing	950,000		950,000				
Francis Furey - Substantial Renovation	2,448,955		2,448,955				
Le Chalet - Substantial Renovation	1,498,720			1,157,350	341,370		
Morris Beldon - Substantial Renovation	912,885				815,980	96,905	
College Park - Substantial Renovation	796,326					796,326	
Kenwood North - Substantial Renovation	936,864					936,864	
Midway Apts - Substantial Renovation	701,096					154,731	546,365
Olive Park - Substantial Renovation	1,814,561						1,814,561
Linda Lou - Substantial Renovation	200,000						200,000
Park Square - Substantial Renovation	653,944						653,944
Total CFP Uses	\$ 46,623,406	\$ 2,419,089	\$ 8,354,791	\$ 8,207,350	\$ 8,207,350	\$ 9,034,826	\$ 10,400,000

SAHA Personnel Count

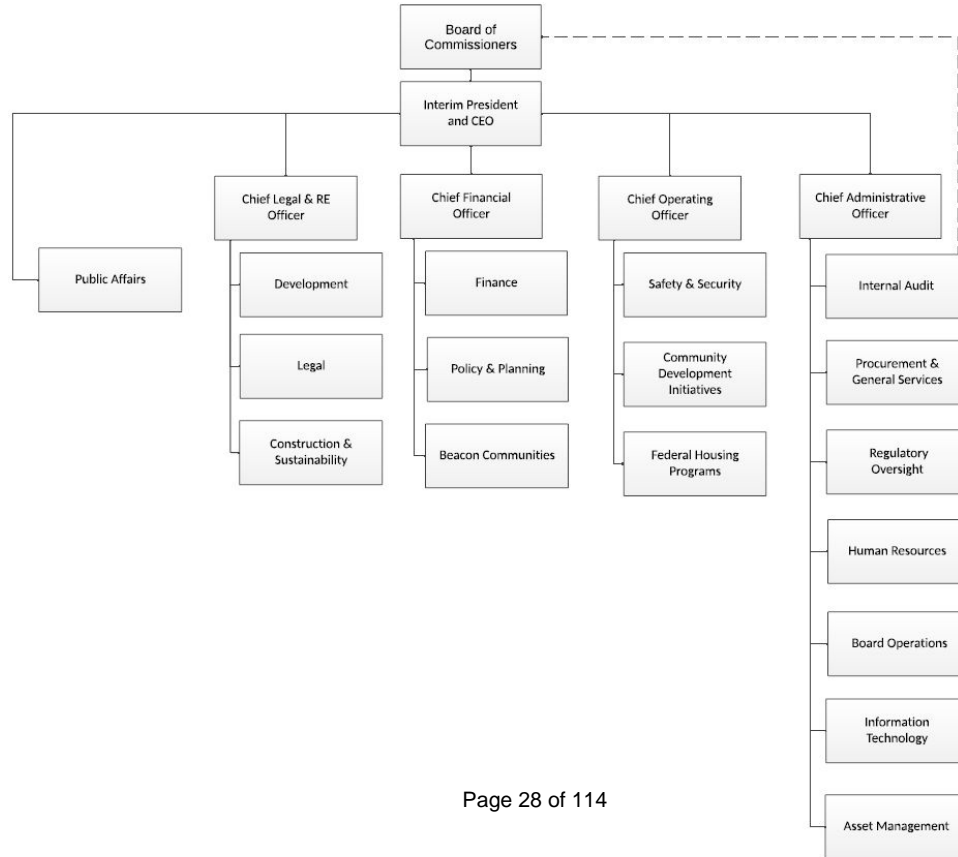
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	2021 Budgeted Positions	2022 Budgeted Positions	Increase or (Decrease) in Position Count	Personnel Distribution by Department
Public Housing	213	212	-1	33%
Section 8 & Special Programs	91	90	-1	14%
Community Development Initiatives	50	51 ¹	1	8%
Beacon	113	148 ²	35	23%
Real Estate Services	9	9	0	1%
Management & Administrative Support (COCC)				
Property Management	24	25	1	4%
Other Management & Administrative Support	109	112	3	17%
Total	609	647	38	100%

1 Includes 23 grant-funded positions for the ROSS, Family Self Sufficiency, HPOG, and Endowment

2 35 positions are added for the 7 incoming properties, with 11 positions being for San Juan I, San Juan II and Alhambra (these salaries and benefits are non-consolidated expenses, as we are working as a third party manager)

SAHA Organizational Structure



Goals for Assisted Housing

SAHA staff respect and value diversity and inclusion

- Celebrate employee diversity through a Diverse and Inclusive Event.

SAHA staff thrive in career and professional work

- Increase staff capacity through advanced training to include leadership, change, and project management.

SAHA residents have a sufficient supply of affordable housing options

- Utilize MTW vouchers above 100% and Special Programs vouchers at 95% or above.
- Re-open Housing Choice Voucher (HCV) Waiting List in 2021.

SAHA residents live in quality affordable housing

- Establish a Landlord Committee.

SAHA residents feel safe

- Increase education between tenant and landlord regarding complaints.

SAHA residents have access to sufficient utilities

- Increase client enrollment in SAWS UPLIFT Program.
- Decrease number of households with a disruption in utility service by 10%.

SAHA residents have sufficient food, water, and clothing

- Create a quarterly newsletter sent via text or email providing resources.

Goals for Public Housing

SAHA staff respect and value diversity and inclusion

- Celebrate employee diversity through a Diverse and Inclusive Event.

SAHA staff thrive in career and professional work

- Establish a Mentorship program.

SAHA residents have a sufficient supply of affordable housing options

- Completion of rehabilitation and re-occupying Victoria Plaza Apartments by July 2021.
- Restore 3 downed fire-damaged units (Alazan and Cross Creek).

SAHA residents live in quality affordable housing

- Improve REAC scores at all properties by at least 10 points and maintain score at high-performing communities.
- Installation of Fire Sprinkler system for Villa Tranchese.

SAHA residents feel safe

- Develop and implement housing counseling to prevent eviction options for residents.
- Complete Property Vulnerability and Security Assessment.

SAHA residents have access to sufficient utilities

- Increase client enrollment in SAWS UPLIFT Program.
- Increase Wi-Fi Expansion across 50 properties.

SAHA residents have sufficient food, water, and clothing

- Coordinate with Community Development Initiatives (CDI) Department to identify resident needs from wellness calls.

Goals for Beacon Communities

SAHA staff thrive in career and professional work

- Continue to promote training and education to empower staff to take advantage of advancement opportunities.
- Become more active with SAAA, SABOR, and IREM. Encourage staff to get involved to represent SAHA and be recognized for our work.

SAHA residents have a sufficient supply of affordable housing options

- Explore partnerships with agencies who offer housing. Examples of existing programs Beacon works with are: SARAH, SAMMs, THRU, VASH, Salvation Army, THRIVE to increase affordable housing within our communities.

SAHA residents live in quality affordable housing

- Property operations goals include maintaining occupancy at 95% through the unknowns of the pandemic. Continue seeking regulatory approval to go fully paperless from application to file maintenance to make renewals and recerts more efficient for our residents and staff. Continue to meet work order response times. Implement a pest control quality control tracker to ensure the effectiveness of the increase and revised services.
- Complete capital work and rehabilitation of Sunshine Plaza, Pecan Hill, La Providencia, and Burning Tree, for an estimated improvement investment of \$8.2M.
- Successfully complete the transitions of management that were postponed in 2021, to include software implementation for the community. This will be a significant cost savings toward management fees and ensure equitable procedures and quality maintenance of the community.

Goals for Real Estate Services

SAHA staff thrive in career and professional work

- 2 staff members complete SAHA Leadership Program.
- Director to complete HCV executive management training.
- Attend development industry specific conferences (TAAHP and AFH).

SAHA residents have a sufficient supply of affordable housing options/SAHA residents live in quality affordable housing

- Begin the redevelopment of Alazan Courts.
- Complete construction and sell all 28 houses in Villas de Fortuna.
- Close and begin construction on 4% Bond deals:
 - St John's
 - Horizon Pointe
 - Springview
 - Somerset Ranch (June 2022)
- Obtain 9% tax credit awards for two of the following:
 - Snowden development
 - Fiesta Trails
 - Ada Street (July 2021)

Goals for Community Development Initiatives

SAHA staff respect and value diversity and inclusion

- Train staff in Trauma-Informed Care (TIC) and Community Building (TICB) and implement standard procedures.

SAHA staff thrive in career and professional work

- Increase depth and breadth of staff knowledge through targeted trainings to improve staff performance, ownership, and mastery in their respective areas.
- Implement SAHA volunteer program to allow staff to focus on their primary duties.

All resident-focused outcomes

- Implement Jobs Plus Program at Lincoln Heights upon receiving notice of award.
- Implement resident services at Alhambra, San Juan I, St. John's Square, 1604 Lofts, Trader Flats, and Rosemont at Highlands.
- Secure external funding to expand service coordination efforts to more residents and to support ConnectHomeSA.
- Procure and implement Apricot case management system.
- Implement LifeWorks Self-Sufficiency Matrix as resident assessment across CDI programs.
- Improve entry, monitoring, and reporting of all CDI data, including FSS escrows, to establish a reliable baseline by June 30, 2022.
- Relaunch 501(c)(3) with new Board of Directors, strategic plan and fundraising strategy.
- Design partner-reciprocated waiting list preferences for clients who have met benchmarks in partner self-sufficiency programs.
- Complete Resident Council Model Evaluation and implement new model with support from PH residents.
- Launch resident apprenticeship pilot program.

Goals for Construction Services and Sustainability

26

SAHA residents live in quality affordable housing

- Expend 2019 CFP Grant 100% by expenditure deadline of April 15, 2023.
- Obligate 2020 CFP Grant by March 26, 2022.
- Public Housing: complete and re-occupy Victoria Plaza Apartments, complete fire sprinkler project at Villa Tranchese, rehab fire-damaged units at Alazan Apache and Cross Creek, start construction at Madonna - gas infrastructure and boiler room rehab project, and unit conversion project at TL Shaley.
- Beacon Communities: start construction at Burning Tree Apts., and complete projects at Sunshine Plaza, Pecan Hill, and La Providencia.
- Complete Phase II Energy Performance Contract.

SAHA residents have a sufficient supply of affordable housing options

- Close-out East Meadows II and Artisan at Ruiz developments.
- Complete construction at Aspire at Tampico, The Scott at Medio Creek, Majestic Ranch, Mira Vista, Culebra Crossing, 1604 Lofts, Kitty Hawk Flats, 100 Labor St., and Legacy at Alazan.
- Begin construction of single family homes at Sunflower and Palm Lake.

SAHA staff thrive in career and professional work

- Hire full-time Construction Project Manager, Construction Project Inspector, and Assistant Director.

Goals for Asset Management

SAHA residents have a sufficient supply of affordable housing options

- Complete refinances of Legacy at O'Connor, Legacy at Science Park, and Refugio. A portion of the net refinance proceeds will go towards capital projects to preserve these affordable housing assets and repay a portion of \$12 million in outstanding land loans and interest owed to SAHA.
- Complete implementation of the PNA database for Public Housing and Beacon portfolios.
- Complete restructure of Costa Almadena partnership and negotiate purchase of full ownership interest in Sorento Apartments, Costa Valencia, and Rosemont at University Park.
- Complete disposition application and sale of the Rex property.

Goals for Procurement

Procurement departmental goals that support all remaining outcomes

- Increase the number of new registered individuals in the Job Referral Resident pool by 100.
- Implement a more structured program identifying the job need of contractors and matching them with registered residents.
- Provide opportunities for staff to attend training that are industry specific at the State of Texas and other organizations in the Procurement training field.
- Promote the staff's effort to obtain industry based professional Certifications (those awarded by the State of Texas or other recognized procurement associations).
- Develop and present a business case to the ELT and the Board of Commissioners, which supports the use of a cooperative contract to transition the maintenance and management of the SAHA vehicle fleet to a Third Party Fleet Management Company.
- Develop process workflow, identify available software systems, implement new E-procurement tools, and establish procedures that will improve the overall procurement processes and operation of the department. These include the use of automated bid notification/posting, online bid submissions, automated solicitation evaluation processes, and contract management.
- Recommend and adopt more streamlined, simplified internal purchasing processes with the expanded use of existing financial systems and redesigned purchasing processes.
- Improve efforts to increase awards to Section 3 business concerns and minority contractors.

Goals for Innovative Technology

SAHA staff thrive in career and professional work

- Support the Director of CDI and Federal Housing Programs in their efforts to implement resident focused software.
- Support the Director of HR in her efforts to implement a Learning Management System to support career growth.

SAHA residents feel safe

- Support the FHP Director and team to bring innovative safety security systems that provide camera, intruder prevention, and safety software that will work toward helping SAHA residents feel safe.

SAHA residents have access to sufficient utilities

- Implement the Wi-Fi expansion project for our PH and Beacon portfolios to bring digital equity to our clients.

SAHA residents have sufficient food, water, and clothing

- Support the leaders of this outcome group by supporting the Data Governance to bring about interlocal and external data agreements that meet our security standards, and build a data warehouse where the use of diverse datasets will bring us useful data to ensure all residents have the basic of needs.

Goals for Finance

SAHA staff thrive in career and professional work

- Develop a new succession plan for the Director of Finance position.
- Continue to develop the skill set of departmental staff by offering opportunities for cross-training; in addition to encouraging staff to pursue educational opportunities and professional certifications.

Finance departmental goals that support all remaining outcomes

- Staff will support the Board and Interim CEO's new vision for the agency to adapt to the changing dynamics of providing new opportunities for affordable housing by working collaboratively with the community, elected officials, HUD, and other partners.
- Staff will continue to work closely with the Interim CEO and Asset Management on the new Public Housing Voluntary Conversion effort.
- Coordinate with Asset Management and lender(s) to potentially leverage various properties from the Beacon portfolio.
- Collaborate with the Asset Management, Legal, and Beacon departments to convert tax credit properties reaching the end of their 15 year compliance period into the Beacon portfolio.
- Provide analyses to officers and DSNR staff in support of the agency's strategic outcome that SAHA residents have a sufficient supply of affordable housing options.
- Facilitate the accounting conversion for properties that are transitioning back to SAHA management, acquisitions of new properties; as well as the addition of Beacon managed non-owned properties.

Goals for Human Resources

SAHA staff respect and value diversity and inclusion/SAHA staff thrive in career and professional work

- Complete the evaluation and implementation of recruitment tools to include:
 - A review of the Texas Education Agency requirements for the General Educational Development (GED) tests, to expand on the current pool of employment candidates
 - The self-scheduling feature of Neogov Insight (Applicant Tracking)
 - Pre-recorded video interviews
 - SMS / Text Recruitment
- Increase survey scores through targeted actions developed by the Thrive Committee:
 - Work Environments - Seamless and supported whether Remote or In Person
 - Workplace Wellness
 - Increased Employee Engagement
 - Connected
 - Personal and Professional Development and Training
- Implement Blue Cross Blue Shield Well-On-Target:
 - Points program through the promotion of numerous wellness options
- Implement the employee self-directed feature for employees to have more options in the Employees' Money Purchase Pension Plan

Goals for Internal Audit

SAHA staff respect and value diversity and inclusion

- Internal Audit staff will participate in at least one training session on diversity and inclusion in the workplace.
- Internal Audit Director will ensure formal engagements with other departments support and create a diverse and inclusive work environment.

SAHA staff thrive in career and professional work

- Internal Audit staff will receive a minimum of 20 hours of professional development training.
- Internal Audit staff will participate on at least one SAHA committee or volunteer for one SAHA event.
- Internal Audit staff will be encouraged to participate in the local IIA Chapter.

Internal Audit departmental goals that support all outcomes

- Develop and implement the 2021-2022 Internal Audit Plan by July 1, 2020; utilizing a comprehensive Google based Risk Assessment tool.
- Support CDI initiatives for Family Self-Sufficiency through escrow review, Resident Council through training and DPUY audits, and Summer Youth Employment through placement and mentoring of a SAHA youth.
- Create internal audit awareness and engagement for SAHA employees through department sponsored activities to include a "Lunch and Learn" and a feature in the SAHA weekly newsletter.
- Increase the departments representation and participation in internal audit networks, and the Chief Audit Executives (CAE) Roundtable.

Goals for Legal

SAHA staff respect and value diversity and inclusion/SAHA staff thrive in career and professional work

- Continue to assist other SAHA departments in providing resources and training which helps SAHA achieve its resident focused goals.
- Continue to provide training opportunities and work with staff on fair housing issues, accommodations, evictions, and other timely topics (including federal mandates).
- Reduce cases in litigation or liability of agency by training staff on policies, procedures, and risk management.
- Continue to provide training opportunities and work with staff on fair housing issues, accommodations, evictions, and other timely topics.
- Continue to assist other departments in developing new policy forms and procedures to provide better customer service to tenants in line with industry standards and SAHA goals.

Goals for Policy and Planning

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A supply of affordable quality units exist in sufficient quantities for SAHA residents

- Track and report on quantity and distribution of affordable housing (SAHA and non-SAHA).
- Evaluate “neighborhoods of opportunity” framework in context of SAFMR and HCV Mobility Demonstration.
- Administer survey(s) to track resident sentiment regarding plans to stay or move.

SAHA residents live in quality affordable housing

- Track and report on quantity and distribution of capital improvements and other SAHA investments in existing units.

SAHA residents feel safe, SAHA residents have access to sufficient/affordable utilities

- Administer survey(s) to track resident sentiment regarding safety and access to affordable utilities.

SAHA staff respect and value diversity and inclusion

- Administer survey(s) to track staff sentiment regarding diversity and inclusion.

SAHA staff thrive in career and professional work:

- Lead Data Governance Committee. Establish a coordinated strategic data plan that lays out the agency’s long-term strategy on expansion and improvement of its use of data (navigation, performance, and impact).
- Deploy Strategic Plan 2025 and first-year implementation strategies, including MTW Plan and MTW Report.
- Initiate strategic plan and theory of change update cycles.
- Develop a stronger evaluation function based on pilot work to date.
- Administer survey(s) to track staff sentiment regarding career.

Goals for Public Affairs

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Public Affairs departmental goals that support all remaining outcomes

- Spearhead advocacy campaigns in support of SAHA's legislative agenda.
- Begin the planning of a "Voice of the City" Advisory Council, a pool of concerned individuals who provide counsel to the organization on a quarterly basis.
- Produce a year-long media tour for SAHA Leadership including the Board Chair to have in-depth, high-visible media interviews with top-tier news organizations locally and statewide.
- Launch a SAHA podcast for a national platform to discuss housing related topics and highlight residents who are breaking the cycle of poverty.
- Redesign the employee intranet portal, to be named *MySAHA*, for SAHA staff to access news and information.

Goals for Regulatory Oversight

36

SAHA staff thrive in career and professional work

- Board Relations Manager will obtain a minimum of 20 hours of training to include training related to her new role.
- Compliance Analyst will work with management to evaluate training/certifications needed and develop a timeline for completion.
- Compliance Manager will schedule and obtain the HOME Compliance Specialist certification from the National Center for Housing Management (NCHM).

SAHA residents live in quality affordable housing

- Fraud Investigator will continue to follow-up on all lighthouse cases received throughout 2020, complete preliminary investigations and close out all non-relevant cases within 3 days.
- Board Relations Manager will work to ensure that packets for Committee and Board meetings are made available to be issued (7) days prior to the respective meeting date. In addition, she plans to research board management software for potential implementation and continue with the Board document scanning project.
- Compliance Analyst will work on developing a comprehensive compliance training program for SAHA's partnership management teams, which includes standard operating procedures and workflow processes in Lucidcharts.
- Compliance Manager will continue to collaborate with internal departments to finalize a performance tracking system for development/management partners. The information will be vital when entering into future management and development contracts.

Goals for Security

SAHA staff thrive in career and professional work

- Automated Mass Notification System (alert key personnel of any emergency)
- Automated Records Management System (RMS)
- Automated Notification from SAPD of “Real-Time” Active Crime Scenes
- Link Risk Indicators to Predictive Incident Management.
- Statistical Modeling
- Data Lake Implementation
- Artificial Intelligence and Machine Learning Data Analytics

SAHA residents feel safe

- Daily Briefing of Security Assets about resident concerns
- Automated Incident Management System of Security Workflow
- Agency-wide Root Cause Analysis
- Link Analysis (Offender, Location and Organized Violent Gang Criminal Activity)
- Business Unit Risk Scores and Issue Tracking
- Linking Aggregate Incidents to Risk (incident risk measured by frequency and severity).

APPENDIX

FY 2022 Consolidated Revenue Trend

Projected revenue in FY 2022 will increase by \$6.3 Million

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Description	FYE 6/30/20 Actual	FYE 6/30/20 Budget	FYE 6/30/21 Budget	FYE 6/30/22 Budget	Variance 2022 Budget vs 2021 Budget Increase/ (Decrease)
Rental Revenue	\$ 34.2	\$ 32.5	\$ 37.7	\$ 47.6	\$ 9.9
Grant Revenue					
Section 8 - HAP	105.0	100.9	108.6	103.0	(5.6)
Section 8 - Admin.	11.4	8.9	9.2	9.6	0.4
Operating Subsidy	27.5	21.5	24.3	24.9	0.6
Capital Grants	12.1	8.3	8.0	13.2	5.2
Other Grants	4.6	5.2	3.7	3.9	0.2
Total Grant Revenue	\$ 160.6	\$ 144.8	\$ 153.7	\$ 154.6	\$ 0.9
Other Revenue *	8.1	7.7	12.2	7.7	(4.5)
Total Revenue	\$ 202.9	\$ 185.0	\$ 203.6	\$ 209.9	\$ 6.3

* Other Revenue includes Lease Payments, Cash Donations, Compliance Monitoring Fees, Other Income, Deposit Forfeitures and Interest Income.

FY 2022 Consolidated Expense Trend

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Description	FYE 6/30/20	FYE 6/30/20	FYE 6/30/21	FYE 6/30/22	Variance 2022 Budget vs 2021 Budget Increase/ (Decrease)
	Actual	Budget	Budget	Budget	
Section 8 Payments to Owners	\$100.3	\$100.7	\$109.7	\$102.7	(\$7.0)
Salaries & Benefits	34.0	35.9	38.8	42.4	3.6
Technology ¹	2.7	3.3	3.2	3.7	0.5
Admin and Other ²	3.0	4.0	3.8	3.8	(0.0)
Consulting Fees	1.1	1.7	1.4	1.8	0.4
Utilities	7.4	7.9	8.2	9.0	0.8
Other	0.5	0.3	0.2	0.2	(0.0)
Repair & Maintenance	15.7	13.0	15.0	15.9	0.9
Insurance	3.0	2.9	3.6	4.1	0.5
Protective Services	1.4	0.8	0.7	1.0	0.3
Debt Service Interest	3.2	3.3	4.3	5.8	1.5
Capital Investment	30.6	11.2	14.7	19.5	4.8
Total Expenses	\$202.9	\$ 185.0	\$ 203.6	\$ 209.9	\$ 6.3

¹ Includes telephone, technology/licensing costs and internet.

² Includes expenses such as audit, postage, office supplies, dues and fees, advertising, legal fees, training, travel, etc.

Partnership Interests

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We have a financial interest in twenty-six partnerships.

Completion Date	Developer	Property	Total Units	PH Units
2007	American Affordable Homes	Midcrown Seniors Pavilion	196	39
2007	Cascade Development	The Ravello	252	0
2007	Franklin Development Corp.	Artisan at Mission Creek	252	0
2008	Cascade Development	The Sorento	248	0
2008	Cascade Development	Rosemont @ University Park	240	0
2008	Franklin Development Corp.	Artisan at Salado II	252	0
2008	NRP Group	Costa Mirada Apartments	212	0
2008	NRP Group	Costa Almadena Apartments	176	0
2008	NRP Group	San Juan Square Phase I	143	46

Partnership Interests

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(continued)

Completion Date	Developer	Property	Total Units	PH Units
2008	NRP Group	Alhambra Senior	140	14
2009	Hogan Services	Elan Garden	228	0
2010	Carleton Development	HemisView Village	245	49
2010	Franklin Development Corp.	Artisan at Creekside	252	0
2010	Franklin Development Corp.	Sutton Oaks (Sutton I)	194	49
2010	NRP Group	San Juan Square II	144	48
2011	NRP Group	The Mirabella	172	0
2013	Franklin Development Corp.	The Park at Sutton Oaks	208	49
2014	NRP Group	San Juan Phase III	252	63

Partnership Interests

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(continued)

Completion Date	Developer	Property	Total Units	PH Units
2018	MBS	East Meadows I	215	71
2018	MBS	Wheatley Park Senior Living	80	44
2019	Post Investment Group	Arroyo Seco	200	0
2019	Vesta Corporation	Marshall Meadows	250	0
2019	Vesta Corporation	Mission Del Rio	180	0
2019	Vesta Corporation	Port Royal	252	0
2020	MBS	East Meadows II	119	42
2021	Franklin Development Corp.	Artisan at Ruiz	102	0
Total			5,204	514

Public Housing Communities

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Property	Total Units	Property	Total Units
Cross Creek	66	San Pedro Arms	16
LC Rutledge	66	Villa Hermosa	66
Morris Beldon	35	Villa Tranchese	201
Lewis Chatham	119	Convent	0
OP Schnabel	70	Olive Park	26
Victoria Plaza	185	Springview	180
Alazan	685	Village East	24
Guadalupe	56	Cheryl West	82
Blanco	100	Lincoln Heights	338
Marie Mcguire	63	TL Shaley	66

Public Housing Communities

(continued)

Property	Total Units	Property	Total Units
Escondida	20	Raymundo Rangel	26
Madonna	60	Villa Veramendi	166
Sahara Ramsey	16	Fair Avenue	216
Tarry Towne	98	Highview	68
Williamsburg	15	Matt Garcia	55
Scattered sites	69	William Sinkin	50
Christ The King	48	College Park	78
Mirasol Homes	174	Glen Park	26
		Kenwood Manor	9
		Kenwood North	53

Public Housing Communities

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(continued)

Property	Total Units	Property	Total Units
Park Square	26	WC White	75
Parkview	153	Cisneros	55
Charles Andrews	52	HB Gonzalez	51
Francis Furey	66	Jewett Circle	75
Pin Oak I	50	Westway	152
Pin Oak II	22	Lila Cockrell	70
Cassiano Homes	499	Linda Lou	10
Frank Hornsby	59	Midway	20
Le Chalet	34	Mission Park	100
Sun Park Lane	65	Riverside	74

Public Housing Communities

(continued)

Property	Total Units	Property	Total Units
South San	30	San Juan Sq I	46
Alhambra	14	San Juan Sq II	48
Converse Ranch I	25	Sutton Oaks Ph I	49
Converse Ranch II	21	The Park at Sutton Oaks	49
East Meadows	71	Wheatley Senior Park	42
East Meadows II	42		
Gardens at San Juan	63		
Hemisview	49		
Midcrown	39		
Refugio	50		

Beacon Communities

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Property	Total Units	Property	Total Units
Bella Claire	67	Dietrich Road	30
Burning Tree	108	Encanta Villa	56
Castle Point	220	Homestead	157
Churchill Estates	40	La Providencia	90
Claremont Townhomes	4	Legacy at Crown Meadows	192
Converse Ranch I	124	Legacy on O'Connor	150
Converse Ranch II	104	Legacy at Science Park	120
Cottage Creek I	253	Monterrey Park	200
Cottage Creek II	196	Pecan Hill	100
Courtland Heights	56	Reagan West	15

Beacon Communities

Property	Total Units
Refugio Place	210
Rosemont at Highland Park	252
Sunshine Plaza	100
Towering Oaks	128
Villa de San Alfonso	29
Villa de Valencia	104
Warren House	7
Woodhill	532
Costa Valencia	230

DISCUSSION

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

BOARD OF COMMISSIONERS
Operations Committee

RESOLUTION 6142, AUTHORIZING THE INTERIM PRESIDENT AND CEO TO RENEW OR PLACE INSURANCE POLICIES COVERING PROPERTY, LIABILITY, CYBER LIABILITY, EXCESS/UMBRELLA, DIRECTORS AND OFFICERS, EMPLOYMENT PRACTICES, WORKERS' COMPENSATION, AUTOMOBILE FLEET, FIDUCIARY, FIDELITY, FLOOD, AND BOILER AND MACHINERY FOR THE SAN ANTONIO HOUSING AUTHORITY AND ITS AFFILIATED ENTITIES, FOR FISCAL YEAR 2021-2022, FOR AN ESTIMATED AMOUNT OF \$4,304,042.00

DocuSigned by:

Ed Hinojosa Jr

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Ed Hinojosa Jr.**Interim President and CEO**

DocuSigned by:

Diana Fiedler

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Diana Kollodziej Fiedler**Director of Finance and Accounting****REQUESTED ACTION:**

Consideration and appropriate action regarding Resolution 6142, authorizing the Interim President and CEO to renew or place insurance policies covering property, liability, cyber liability, excess/umbrella, directors and officers, employment practices, workers' compensation, automobile fleet, fiduciary, fidelity, flood, and boiler and machinery for the San Antonio Housing Authority and its affiliated entities, for Fiscal Year 2021-2022, for an estimated amount of \$4,304,042.00.

FINANCIAL IMPACT:

Insurance costs are funded through the FY 2021-2022 budget, as well as any insurance escrow accounts.

SUMMARY:

The protection and preservation of SAHA's housing portfolio plays an important role in the stability and improvement of the quality of life of the residents that it serves.

The U.S. Department of Housing and Urban Development (HUD) requires Public Housing Authorities (PHAs) to maintain adequate insurance coverage on all properties. Similarly, lenders and additional parties have these requirements for Beacon and other SAHA affiliated interests.

On October 19, 2019, the Board of Commissioners approved awarding a contract to McGriff, Seibels, and Williams of Texas (MSW) as SAHA's Broker of Record (BOR). The BOR serves as a consultant for insurance products in the market and presents SAHA with the best options for consideration.

Annual efforts include cost and coverage comparisons in the market for SAHA's affordable housing portfolio and other insurance needs; selections are recommended based on the best cost and fit for SAHA. The FY 2020-2021 Board approved request was \$3,985,405.00; the total projected costs for FY 2021-2022 are estimated at \$4,304,042.00, which includes fifteen percent for policy additions, premium increases, policy adjustments, coverage gaps, or to insure special events as they occur throughout the year. The policy period covered will be July 1, 2021, through June 30, 2022.

SAN ANTONIO HOUSING AUTHORITY**May 20, 2021**

Premium increases are typically attributable to variable market conditions, claims loss history, policy limits of liability adjustments, filling coverage gaps, and catastrophic events. What is still unknown is the full impact of COVID-19 on the insurance industry. The total projected increase requested is \$318,638.00 or approximately eight percent. However, this increase includes coverage for Costa Valencia, a newly added Beacon property, reinstating coverage on the Victoria Plaza property upon completion of the rehabilitation project, as well as expected increases in premiums for the umbrella policies, which provide additional coverage beyond traditional liability and auto policies. The market for umbrella coverage continues to harden and has started to move toward tighter underwriting, greater restrictions, and higher pricing. The projections for umbrella coverage in this presentation are based on these new market conditions and continuing with the current carrier. In anticipation of these increases, the HAI Group, our current property and liability carrier, is actively working on establishing an umbrella market in Texas; however, that process has not been finalized at this point. If they are successful, we expect premiums to be lower than projected.

Historically, SAHA has been unable to obtain competitive pricing in the open market largely attributable to being classified in a high risk insured industry. Staff presents this item each May, because the BOR is restricted from securing full indications until May 1, 2021, through June 30, 2021, as per industry standards. In order to secure the best possible products and pricing and ensure continuous coverage, SAHA staff seeks Board authorization to bind policies on or before June 30, 2021. Staff will prepare a follow-up Board agenda item to inform the Board of Commissioners of actual placement and a more relevant cost projection in July 2021.

Renewal Process - Industry Standard and Best Practices:

March 2021	Review/complete renewal applications
April 2021	Gather and submit related data to BOR, review market trends and pricing, discuss placement, negotiation, or alternative strategies
May 2021	Recommend and request Board of Commissioners (BOC) authorization, seek competitive premium indications in the open market, and discuss recommendations with CFO
June 2021	Receive and review quotes on the entire portfolio, bind coverage
July 2021	Policies renewed or placed Return to update BOC of placement and more accurate projected costs

STRATEGIC OUTCOMES:

SAHA residents live in quality affordable housing
SAHA residents feel safe

ATTACHMENTS:

Resolution 6142
Insurance Renewals for 2021-2022

**San Antonio Housing Authority
Resolution 6142**

RESOLUTION 6142, AUTHORIZING THE INTERIM PRESIDENT AND CEO TO RENEW OR PLACE INSURANCE POLICIES COVERING PROPERTY, LIABILITY, CYBER LIABILITY, EXCESS/UMBRELLA, DIRECTORS AND OFFICERS, EMPLOYMENT PRACTICES, WORKERS' COMPENSATION, AUTOMOBILE FLEET, FIDUCIARY, FIDELITY, FLOOD, AND BOILER AND MACHINERY FOR THE SAN ANTONIO HOUSING AUTHORITY AND ITS AFFILIATED ENTITIES, FOR FISCAL YEAR 2020-2021, FOR AN ESTIMATED AMOUNT OF \$4,304,042.00

WHEREAS, the Housing Authority of the City of San Antonio, Texas, (SAHA) must maintain adequate insurance for its properties, its real estate assets, and the properties of its affiliates to protect itself, its residents, and its employees; and

WHEREAS, the renewal or placement of insurance is necessary to comply with U.S. Department of Housing and Urban Development (HUD) requirements, lenders and additional interests' requirements, and is necessary to protect SAHA's properties, residents, and staff; and

WHEREAS, SAHA's Broker of Record, McGriff, Seibels, and Williams of Texas, Inc., provides SAHA recommendations of the best available products and pricing; and

WHEREAS, staff recommends authorization to proceed with insurance policy renewals or placements in an amount estimated at \$4,304,042.00; and

WHEREAS, staff requests that the Board of Commissioners authorize the Interim President and CEO or designee to execute all documents and transactions necessary to renew or place all insurance policies for the San Antonio Housing Authority and its affiliated entities.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Antonio Housing Authority, hereby:

- 1) Approves Resolution 6142, authorizing the Interim President and CEO to renew or place insurance policies covering property, liability, cyber liability, excess/umbrella, directors and officers, employment practices, workers' compensation, automobile fleet, fiduciary, fidelity, flood, and boiler and machinery for the San Antonio Housing Authority and its affiliated entities, for Fiscal Year 2021-2022, for an estimated amount of \$4,304,042.00; and
- 2) Authorizes the Interim President and CEO or designee to execute all documents, extensions, and annual premium remuneration necessary to renew or place all insurance policies for the San Antonio Housing Authority and its affiliated entities.

Passed and approved the 3rd day of June 2021.

Ana M. "Cha" Guzman
Chair, Board of Commissioners

Attested and approved as to form:

Ed Hinojosa, Jr.
Interim President and CEO

Fiscal Year 2021-2022 Insurance Renewals for SAHA and its Affiliates

Insurance Type or Insured Entity	2020-2021 Request to the Board				2020-2021 Premiums				2021-2022 Request to Board			
	Property	Liability	Umbrella Limit of Liability \$8,000,000	Total	Property	Liability	Umbrella Limit of Liability \$3,000,000	Total	Property	Liability	Umbrella Limit of Liability \$3,000,000	Total
	Automobile Fleet		\$59,820		\$59,820		\$58,871		\$58,871		\$64,758	
Cyber Liability		\$15,410		\$15,410		\$24,523		\$24,523		\$27,466		\$27,466
Fiduciary, EPL, and D&O		\$56,662		\$56,662		\$58,577		\$58,577		\$70,293		\$70,293
Fidelity/Crime		\$10,165		\$10,165		\$8,839		\$8,839		\$8,839		\$8,839
Workers' Compensation		\$331,620		\$331,620		\$332,652		\$332,652		\$365,917		\$365,917
Flood	\$32,146			\$32,146	\$31,488			\$31,488	\$34,637			\$34,637
Property and Liability:												
Converse Ranch, LLC	\$35,667	\$6,593	\$9,578	\$51,839	\$32,747	\$6,075	\$3,629	\$42,451	\$36,022	\$6,683	\$14,516	\$57,220
Clark 05 (Highland Park)	\$60,337	\$11,050	\$28,992	\$100,379	\$60,377	\$16,862	\$20,263	\$97,502	\$66,415	\$18,548	\$22,289	\$107,252
Durango Midrise, LP	\$76,979	\$12,918	\$9,365	\$99,262	\$68,494	\$11,306	\$4,671	\$84,471	\$75,343	\$12,437	\$18,684	\$106,464
Homestead Redevelopment Partnership Ltd.	\$31,864	\$8,377	\$9,972	\$50,212	\$28,604	\$7,457	\$3,745	\$39,806	\$31,464	\$8,203	\$14,980	\$54,647
Las Varas Public Facility Corp.		\$3,355	\$9,292	\$12,647	\$0	\$2,930	\$3,030	\$5,960	\$0	\$3,223	\$12,120	\$15,343
O'Connor Rd. Ltd. Partnership	\$30,863	\$7,949	\$9,877	\$48,689	\$26,604	\$6,962	\$3,630	\$37,196	\$29,264	\$7,658	\$14,520	\$51,443
Pecan Hill Apartments Inc.	\$17,860	\$5,322	\$9,300	\$32,482	\$17,311	\$4,661	\$3,098	\$25,070	\$19,042	\$5,127	\$12,392	\$36,561
Public Housing	\$1,046,975	\$412,381		\$1,459,356	\$936,020	\$284,305		\$1,220,325	\$1,041,622	\$312,736	\$0	\$1,354,358
Refugio St. Ltd. Partnership	\$49,867	\$11,187	\$10,589	\$71,644	\$42,634	\$9,800	\$4,286	\$56,720	\$46,897	\$10,780	\$17,144	\$74,821
SAHA Boiler & Machinery	\$25,101			\$25,101	\$25,292			\$25,292	\$27,821	\$0	\$0	\$27,821
San Antonio Housing Development Corp.	\$37,430	\$5,563	\$9,314	\$52,307	\$32,672	\$4,790	\$3,093	\$40,555	\$35,939	\$5,269	\$12,372	\$53,580
San Antonio Housing Facility Corp.	\$326,965	\$54,264	\$37,051	\$418,279	\$319,840	\$50,841	\$21,666	\$392,347	\$320,416	\$54,204	\$83,936	\$458,556
Sendero I Public Facility Corp.	\$43,024	\$10,249	\$9,751	\$63,024	\$39,250	\$8,951	\$4,091	\$52,292	\$43,175	\$9,846	\$16,364	\$69,385
SP II Ltd. Partnership	\$23,783	\$6,364	\$9,529	\$39,676	\$20,565	\$5,565	\$3,307	\$29,437	\$22,622	\$6,122	\$13,228	\$41,971
Springhill Courtland Hts Public Facility Corp.	\$114,450	\$26,785	\$15,156	\$156,391	\$128,130	\$23,831	\$9,370	\$161,331	\$140,943	\$26,214	\$37,480	\$204,637
Sunshine Plaza Apartments Inc.	\$19,007	\$5,520	\$9,343	\$33,870	\$17,438	\$4,836	\$3,138	\$25,412	\$19,182	\$5,320	\$12,552	\$37,053
Vera Cruz Redevelopment Partnership Ltd.	\$6,690	\$1,534	\$9,292	\$17,516	\$5,858	\$1,351	\$3,030	\$10,239	\$6,444	\$1,486	\$12,120	\$20,050
Woodhill Public Facility Corp	\$170,619	\$35,977	\$20,480	\$227,076	\$185,856	\$32,879	\$12,928	\$231,663	\$204,442	\$36,167	\$51,712	\$292,321
Costa Valencia									\$66,415	\$18,548	\$22,289	\$107,252
Total Request/Cost of Insurance	\$2,149,626	\$1,099,062	\$216,881	\$3,465,569	\$2,019,180	\$966,864	\$106,975	\$3,093,019	\$2,268,105	\$1,085,842	\$388,698	\$3,742,646
Approximately 15% for additions, increases, adjustments, or events				\$519,835				\$892,386				\$561,397
Total Request including additions				<u>\$3,985,405</u>				<u>\$3,985,405</u>				<u>\$4,304,042</u>
Increase/(Decrease) from 2020-2021 Request									\$118,479	-\$13,220	\$171,817	\$318,638
									5.51%	-1.20%	79.22%	8.0%

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

**BOARD OF COMMISSIONERS
Finance Committee**

RESOLUTION 6149, ADOPTING THE SAN ANTONIO HOUSING AUTHORITY INTERNAL AUDIT PLAN FOR FISCAL YEAR 2021-2022

DocuSigned by:
Ed Hinojosa Jr
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Ed Hinojosa, Jr.
Interim President and CEO

DocuSigned by:
Muriel Rhoder
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Muriel Rhoder
Chief Administrative Officer

DocuSigned by:
Aiyana Longoria
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Aiyana Longoria
Director of Internal Audit

REQUESTED ACTION:

Consideration and appropriate action regarding Resolution 6149, adopting the San Antonio Housing Authority Internal Audit Plan for Fiscal Year 2021-2022.

FINANCIAL IMPACT:

None.

SUMMARY:

The 2021-2022 Internal Audit Plan is a risk-based plan developed to determine that the priorities of the Internal Audit department are consistent with The Institute of Internal Auditors, Inc. (IIA) Definition of Internal Auditing, Code of Ethics, and International Standards for the Professional Practice of Internal Auditing (Standards), as well as, the San Antonio Housing Authority’s (Housing Authority’s) strategic goals. The IIA Standard 2020, “Communication and Approval” requires the Chief Audit Executive (CAE), i.e., the Director of Internal Audit, to communicate the internal audit activity’s plans and resource requirements to senior management and the Board for review and approval. The Housing Authority’s Internal Audit Plan is defined in the Housing Authority’s Internal Audit Charter and included as part of the comprehensive internal audit program established pursuant to the Housing Authority’s Internal Audit Policy. Internal Audit activities also align with the Housing Authority’s strategic goal to transform core operations to be a high performing and financially strong organization. Final approval of the Internal Audit Plan for 2021-2022, resides with the Board of Commissioners.

The IIA Standard 2010, “Planning,” requires the internal audit plan to be based on a documented risk assessment, undertaken at least annually, with input from senior management and the Board. The Housing Authority’s CAE issued risk assessment surveys to the members of the Board of Commissioners, to each member of senior management, and multiple operational personnel. The results of these assessments were tabulated to identify the significant risk areas, which were then included as proposed audits for the 2021-2022 Internal Audit Plan.

Additionally, in accordance with the approved Internal Audit Charter: “At least twice a year, the Audit Committee will meet separately with the CAE to provide a status report on operations and to discuss any matters that the Audit Committee or the CAE believes should be discussed privately.” The Internal Audit Charter also requires the CAE to communicate any significant

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

deviation from the approved internal audit plan to the Audit Committee, the CEO, and the Legal and Compliance Officer, or equivalent, through periodic activity reports. This update provides the required communication, as follows:

- Internal Audit Plan Status – provided each quarter of the Fiscal Year
- Summary and Status of Management Corrective Action Plans (open action items only)

Management Corrective Action Plans resulting from internal audits are entered into a spreadsheet to allow for easier tracking of the status of open items. A copy of the spreadsheet is attached. Each of the action items are color-coded to indicate their status as follows: green indicates the action has a due date 30 days or more in the future; red indicates the action is behind schedule; and yellow indicates the action has a due date less than 30 days in the future.

STRATEGIC OUTCOME:

Supports all strategic outcomes.

ATTACHMENTS:

Resolution 6149

Presentation: Internal Audit Plan - 2020-2021

**San Antonio Housing Authority
Resolution 6149**

RESOLUTION 6149, ADOPTING THE SAN ANTONIO HOUSING AUTHORITY INTERNAL AUDIT PLAN FOR FISCAL YEAR 2021-2022

WHEREAS, internal auditing is an independent, objective assurance and consulting activity designed to add value and improve San Antonio Housing Authority (Housing Authority) operations; and

WHEREAS, internal auditing helps the Housing Authority accomplish its mission by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes; and

WHEREAS, internal audit activities align with all of the Housing Authority's strategic outcomes; and

WHEREAS, IIA Standard 2020, entitled "Communication and Approval," requires the Chief Audit Executive, i.e., the Director of Internal Audit, to communicate the internal audit activity's plans and resource requirements to senior management and the Board for review and approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Antonio Housing Authority, hereby:

Approves Resolution 6149, adopting the San Antonio Housing Authority Internal Audit Plan for Fiscal Year 2021-2022, as attached to this Resolution.

Passed and approved the 3rd day of June 2021.

Ana M. "Cha" Guzman
Chair, Board of Commissioners

Attested and approved as to form:

Ed Hinojosa, Jr.
Interim President and CEO



Internal Audit Plan 2021-2022

Finance Committee
May 20, 2021

Objective and Background

Objective

- Review and adoption of the proposed 2021-2022 Internal Audit Plan by the Board, to set the priorities of the internal audit function for the fiscal year.

Background

- The Internal Audit Department adheres to The Institute of Internal Auditors, Inc. (IIA) Definition of Internal Auditing, Code of Ethics, and the following *International Standards for the Professional Practice of Internal Auditing* (Standards), as documented in the approved SAHA Internal Audit Policy and Internal Audit Charter.
- The IIA Standard 2010, “Planning,” Section A1, requires the following: “The internal audit activity’s plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the board must be considered in this process.”
- The IIA Standard 2020, “Communication and Approval,” requires the following: “The Chief Audit Executive must communicate the internal audit activity’s plans and resource requirements, including significant interim changes, to senior management and the Board for review and approval. The Chief Audit Executive must also communicate the impact of resource limitations.”

Process for Developing the 2021-2022

Internal Audit Plan

Risk Assessment Survey conducted

- Key variables assessed:
 - Public disclosure implications
 - Increased Senior Management/Commissioner interest over prior year
 - Internal and external compliance requirements

Other considerations

- Oversight provided by other entities, including:
 - Independent Financial and Compliance Audit
 - Regulatory Audits and Reviews
 - Other Third-Party Reviews
- Time since last audit

Process for Developing the 2021-2022

Internal Audit Plan, cont'd.

Risk Assessment conducted

- Google Form with an option to interview
- Risk Assessment Methodology reduced the number of variables; made the assessment shorter and more streamlined.
- Risk Assessment Survey responses were received from the Board of Commissioners, SAHA Executive Leadership, and SAHA Staff.
 - 91% response rate
- Feedback to format was still positive, and the risk assessment will continue to build upon feedback received.
- A summary of the Risk Assessment results, and proposed audits were discussed with the Interim President and CEO and Executive Leadership.

Risk Assessment Results

Board of Commissioners' Assessment Results - Topics of Highest Interest

- Beacon Communities
 - Affordable Program regulatory and Fair Housing Compliance
 - Third Party Maintenance of Properties
- Community Development Initiatives
 - Elderly and Disabled Case Management Services and administration of food and other programs
- Construction Services and Sustainability
 - Administration, management and oversight of capital improvement repair, and retrofit or modernization construction contracts
- Finance and Accounting
 - Cash Management
- Public Housing
 - Rent Collection
 - Program Exit Process; focus on collections efforts and tracking

Risk Assessment Survey Results, cont'd.

Business Process	Board of Commissioners	Executive Leadership	Senior Leadership Team	Other Staff
Assisted Housing Programs (AHP) - Eligibility and Admissions; electronic and virtual process.		X	X	X
Beacon Communities - Affordable Program regulatory and Fair Housing compliance, and Third Party maintenance of properties.	X	X		
Community Development Initiatives (CDI) - Elderly and disabled case management services and administration of food and other programs; Self-Sufficiency grant programs operations and administration of financial incentives; and MTW program operations initiatives.	X	X	X	X
Communications and Public Affairs - External communications process.			X	X
Development Services and Neighborhood Revitalization - Capital planning for new developments; and capital planning for redevelopment of properties.* <i>*Process for new developments is on the current FY 2020-2021 Audit Plan</i>		X	X	X
Public Housing - Rent collection and program exits process with a focus on collections efforts and tracking*. <i>*These processes were audited in FY 2019-2020 under "Audit of Rent Calculation and Collections Process for Public Housing", and the "Audit of Resident Termination Process for Assisted Housing Programs and Public Housing."</i>	X	X	X	X

Proposed Internal Audit Plan for FY 2021-2022

7

1st Qtr. (July - Sep)	2nd Qtr. (Oct. - Dec.)	3rd Qtr. (Jan. - March)	4th Qtr. (April - June)
Internal Audits			
<ul style="list-style-type: none"> Audit of External Communication Processes 	<ul style="list-style-type: none"> Audit of Beacon Communities Program and Fair Housing Compliance 	<ul style="list-style-type: none"> Family Self-Sufficiency Processing and Program Completion 	<ul style="list-style-type: none"> Elderly Disabled Services Program Administration
<ul style="list-style-type: none"> Audit of Redevelopment and Modernization Projects 	<ul style="list-style-type: none"> Audit of Redevelopment and Modernization Projects 	<ul style="list-style-type: none"> Audit of Assisted Housing Programs Waitlist, Eligibility, and Admissions Process 	<ul style="list-style-type: none"> Audit of Beacon Communities Third-Party Maintenance of Properties

Compliance Reviews

<ul style="list-style-type: none"> Assisted Housing Program 	<ul style="list-style-type: none"> Assisted Housing Program 	<ul style="list-style-type: none"> Assisted Housing Program 	<ul style="list-style-type: none"> Assisted Housing Program
<ul style="list-style-type: none"> Beacon Communities/ Mixed Income 	<ul style="list-style-type: none"> Beacon Communities/ Mixed Income 	<ul style="list-style-type: none"> Beacon Communities/ Mixed Income 	<ul style="list-style-type: none"> Beacon Communities/ Mixed Income
<ul style="list-style-type: none"> Public Housing 	<ul style="list-style-type: none"> Public Housing 	<ul style="list-style-type: none"> Public Housing 	<ul style="list-style-type: none"> Public Housing
<ul style="list-style-type: none"> TP/DPUY Funds & FSS Escrows 	<ul style="list-style-type: none"> TP/DPUY Funds & FSS Escrows 	<ul style="list-style-type: none"> TP/DPUY Funds & FSS Escrows 	<ul style="list-style-type: none"> TP/DPUY Funds & FSS Escrows

Internal Audit also participates in various committees throughout the organization providing opinions on internal controls, and may conduct requested audits as needed.

QUESTIONS?

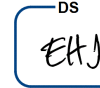
SAN ANTONIO HOUSING AUTHORITY**May 20, 2021****MEMORANDUM**

To: Operations Committee

From: Ed Hinojosa, Jr., Interim President and CEO

Presented by: Diana Kollodziej Fiedler, Director of Finance and Accounting

RE: Update and discussion regarding the Quarterly Financial Performance Report for the San Antonio Housing Authority


SUMMARY:**Financial Performance Highlights**

The Quarterly Financial Report for the San Antonio Housing Authority for the nine months ended March 31, 2021, is attached. The Financial Performance Report has been modified to present two condensed statements of revenue and expenses to separate SAHA's core business activities of housing, management, and resident services ("Operations") from the Capital Fund and Real Estate Services lines of business ("Capital"). The results of operations for the nine months ended March 31, 2021, reflect a Surplus Before Non-Cash Items of \$9.3 million for Operations (\$12.0 million above budget) and \$10.6 million for Capital (\$0.2 million above budget).

Total Operating Revenue for the Operations segment was approximately \$1.8 million above budget due primarily to a favorable variance of \$3.8 million in Grants revenue offset by unfavorable variances of \$1.2 million in Tenant Revenue and \$0.7 million in Housing Assistance Payment (HAP) Revenue. The \$3.8 million favorable variance in Grants revenue resulted predominantly from CARES Act funding of \$2.4 million. Also contributing were favorable variances of \$0.7 million in Public Housing operating subsidy and \$0.5 million in Section 8 administrative fees. Tenant Revenue was below budget by \$1.2 million due primarily to vacancies and higher collection losses for the Beacon portfolio. Section 8 HAP Expense ended the period with a favorable variance of \$6.0 million, which is not equally reflected in the HAP Revenue account due to additional HAP Revenue being drawn through our MTW approved activities for the Labor Street, East Meadows Public Improvements, and Highland Park capital projects, as well as supporting the operations of CDI and Public Housing.

Total Operating Expenses ended the period \$9.0 million below budget for Operations largely due to favorable variances of \$6.4 million in HAP Expense and \$2.2 million in Salaries and Benefits. Numerous vacancies have led to the majority of segments reporting favorably for Salaries and Benefits. The Authority currently has 128 full-time vacant positions of which 30 are filled with temp employees and 39 are positions that have been placed on hold.

Total Operating Revenue for the Capital segment was approximately \$3.5 million above budget due primarily to a favorable variance of \$5.9 million in Grants revenue, partially offset by an unfavorable variance of \$2.4 million in Miscellaneous Revenue. The \$5.9 million favorable variance in Grants revenue resulted primarily from the timing of Capital Fund grant expenditures. Miscellaneous Revenue was below budget by \$2.4 million due to an unfavorable variance of \$2.2

SAN ANTONIO HOUSING AUTHORITY**May 20, 2021**

million in development fee revenue caused by the construction timing of the Horizon Pointe, Pearsall Flats, and St. John's Apartments.

The Comparative Balance Sheet reflects an overall increase in Total Net Position of \$17.9 million from March 31, 2020 to March 31, 2021. Total Assets increased by \$59.8 million due to the additions of \$50.6 million in Fixed Assets and \$21.3 million in Current Assets, partially offset by a \$12.2 million reduction in Other Non-Current Assets. The \$21.3 million increase in Current Assets resulted chiefly from the proceeds of the new EPC loan of \$7.9 million of which \$5.5 million remains; \$4.7 million in Capital Fund administrative fee funds, \$4.1 million in CARES Act funding for HCV administrative fees, \$2.5 million in Sunshine Plaza loan proceeds, and \$.7 million in replacement reserves related to the acquisition of the Refugio, Science Park, and O'Connor properties. The \$50.6 million surge in Fixed Assets was largely due to additions of buildings and land of \$61.2 million, as well as an increase of \$25.4 million related to capital projects. The increase in buildings was attributable to Beacon purchasing the O'Connor, Science Park II, Refugio, and Highland Park properties. These increases were offset by the recording of an additional \$36 million in accumulated depreciation. The increase in land was caused by the Authority acquiring ownership interests in several properties: Champion at Del Rio, Champion at Marshall Meadows, Champion at Port Royal, Majestic Ranch, Culebra Crossing, Arroyo Seco, Trader Flats, Artisan at Ruiz, and 1604 Lofts. The decrease of \$12.3 million in Other Non-Current Assets was largely due to the elimination of \$12.3 million in related party notes as a result of the purchase of the Refugio, Science Park, and O'Connor properties.

Total Liabilities increased by \$43.5 million due mainly to the acquisitions of the O'Connor, Science Park II, Refugio, and Highland Park properties. As a condition of becoming the owner, SAHA affiliates were required to assume the debt obligations of each partnership. The total mortgage debt for the four properties totaled \$20.4 million. Additionally, there was \$16.2 million of new debt comprised of an EPC loan of \$7.9 million, Sunshine Plaza loan of \$2.6 million, and Labor Street loan of \$5.7 million. Deferred ground lease revenue increased by \$6.9 million, which arose from the Facility Corporation entering into ground leases with the Majestic Ranch, Culebra Crossing, Trader Flats, Artisan at Ruiz, and 1604 Lofts partnerships.

Supplemental Information—Funding Environment

On March 11, 2021, President Biden signed into law The American Rescue Plan Act of 2021, providing \$1.9 trillion emergency funding relief for people impacted by the pandemic. The bill approved more than \$30 billion in additional housing and rent relief with \$5 billion going directly to HUD for Emergency Housing Vouchers. At this point we have no information if, or how, this funding will directly impact the agency.

At the time this memo was prepared, the \$2 trillion American Jobs Plan proposed by President Biden still requires congressional approval, which the President hopes to obtain by the end of the summer. The bill includes a \$40 billion commitment to recapitalize public housing infrastructure, which is expected to create more than 440,000 jobs and generate \$76 billion in economic activity.

The Green New Deal proposed by Sen. Bernie Sanders and Rep. Alexandria Ocasio-Cortez still requires congressional approval. The bill would provide \$172 billion to retrofit 960,000 existing

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

housing units and upgrade building electrification and water quality. It would repeal the Faircloth Amendment, which restricts the building of new public housing developments.

The President's 2022 funding request includes \$68.7 billion for HUD, a \$9 billion or 15% increase from the 2021 enacted level. It proposes:

- \$30.4 billion for the Housing Choice Voucher program, a substantial increase of \$5.4 billion over the 2021 enacted level, which will allow the program to serve an additional 200,000 families.
- \$3.2 billion for the Public Housing Capital Fund, an increase of \$435 million over the 2021 enacted level.
- \$3.5 billion for Homeless Assistance Grants allowing the program to support more than 100,000 additional households, an increase of \$500 million over the 2021 enacted level.
- \$800 million in new investments for modernization and rehabilitation, including to fully fund the operating costs of affordable housing to low-income families.
- \$500 million increase to HOME Investment Partnership Programs for a total of \$1.9 billion.

PROPOSED ACTION:

None

FINANCIAL IMPACT:

None

STRATEGIC OUTCOME:

Supports all strategic outcomes.

ATTACHMENTS:

Financial Performance Report

Cash and Investment Summary

- For the Period Ending December 31, 2020
- For the Period Ending March 31, 2021

Grants Report

**San Antonio Housing Authority
Financial Performance Report
As of March 31, 2021
(UNAUDITED)**

Comparative Balance Sheet

	<u>3/31/2021</u>	<u>3/31/2020</u>	<u>Increase (Decrease)</u>	<u>%</u>	<u>Highlights Section</u>
Assets					
Current Assets	\$ 113,724,254	\$ 92,436,903	\$ 21,287,351	23.03%	
Fixed Assets	267,992,661	217,356,392	50,636,269	23.30%	
Other Non-Current Assets	66,745,449	78,920,572	(12,175,123)	-15.43%	
Total Assets	<u>\$ 448,462,364</u>	<u>\$ 388,713,867</u>	<u>\$ 59,748,497</u>	<u>15.37%</u>	II(a)
Deferred Outflows of Resources					
Deferred Charges on Refunding	\$ 411,711	\$ 525,922	\$ (114,211)	-21.72%	
Deferred Swap Outflows	3,022,359	1,296,698	1,725,661	133.08%	
Total Deferred Outflows of Resources	<u>\$ 3,434,070</u>	<u>\$ 1,822,620</u>	<u>\$ 1,611,450</u>	<u>88.41%</u>	
Total Assets and Deferred Outflows of Resources	<u><u>\$ 451,896,434</u></u>	<u><u>\$ 390,536,487</u></u>	<u><u>\$ 61,359,947</u></u>	<u><u>15.71%</u></u>	
Liabilities					
Current Liabilities	\$ 17,034,498	\$ 16,814,276	\$ 220,222	1.31%	
Non-Current Liabilities	123,011,014	79,734,435	43,276,579	54.28%	
Total Liabilities	<u>\$ 140,045,512</u>	<u>\$ 96,548,711</u>	<u>\$ 43,496,801</u>	<u>45.05%</u>	II(b)
Net Position					
Net Investment in Capital Assets	\$ 167,604,209	\$ 150,944,302	\$ 16,659,907	11.04%	
Restricted Net Position	49,225,461	39,231,380	9,994,081	25.47%	
Unrestricted Net Position	95,021,252	103,812,094	(8,790,842)	-8.47%	
Total Net Position	<u>\$ 311,850,922</u>	<u>\$ 293,987,776</u>	<u>\$ 17,863,146</u>	<u>6.08%</u>	II(c)
Total Liabilities and Net Position	<u><u>\$ 451,896,434</u></u>	<u><u>\$ 390,536,487</u></u>	<u><u>\$ 61,359,947</u></u>	<u><u>15.71%</u></u>	

San Antonio Housing Authority
Financial Performance Report
As of March 31, 2021
(UNAUDITED)

Condensed Statement of Revenue and Expenses

(For the Nine Months Ended 03/31/2021)

	OPERATIONS ACTUAL 3/31/2021	OPERATIONS BUDGET 3/31/2021	OPERATIONS Variance	Highlights Section
Operating Revenue				
Tenant Revenue	\$ 26,889,770	\$ 28,089,566	\$ (1,199,796)	I(a)(1)
Grants	31,871,320	28,071,386	3,799,934	I(a)(2)
HAP Revenue	80,761,213	81,423,095	(661,882)	I(a)(3)
Miscellaneous Revenue	905,863	1,003,505	(97,642)	
Total Operating Revenue	\$ 140,428,167	\$ 138,587,553	\$ 1,840,614	
Operating Expenses				
Salaries and Benefits	\$ 26,054,406	\$ 28,205,397	\$ (2,150,991)	I(b)(1)
Ordinary Maintenance and Operations	10,666,461	11,198,407	(531,945)	
Utilities	6,386,531	6,125,686	260,846	
Other Expenses	9,129,985	9,241,937	(111,952)	
HAP Expense	75,813,136	82,240,747	(6,427,611)	I(a)(3)
Total Operating Expenses	\$ 128,050,520	\$ 137,012,173	\$ (8,961,654)	
Net Operating Income	\$ 12,377,647	\$ 1,575,380	\$ 10,802,267	
Non-Operating Income (Expenses)				
Interest Expense	\$ (3,729,377)	\$ (2,881,353)	\$ (848,024)	I(c)(1)
Interest Income	718,316	1,280,115	(561,799)	I(c)(1)
Other Income (Expenses)	(52,654)	(2,622,695)	2,570,041	I(c)(1)
Total Non-Operating Income (Expenses)	\$ (3,063,714)	\$ (4,223,932)	\$ 1,160,218	
Surplus (Deficit) Before Non-Cash Items	\$ 9,313,933	\$ (2,648,552)	\$ 11,962,485	
Non-Cash Items				
Depreciation and Amortization	\$ (10,874,170)	\$ (10,284,261)	\$ (589,908)	
Non-Operating Income (Expense)	7,445,847	7,402,760	43,087	
Total Non-Cash Items	\$ (3,428,322)	\$ (2,881,501)	\$ (546,821)	
Change in Net Position	\$ 5,885,611	\$ (5,530,054)	\$ 11,415,664	I(c)(1)

San Antonio Housing Authority
Financial Performance Report
As of March 31, 2021
(UNAUDITED)

Condensed Statement of Revenue and Expenses
(For the Nine Months Ended 03/31/2021)

	CAPITAL ACTUAL 3/31/2021	CAPITAL BUDGET 3/31/2021	CAPITAL Variance	Highlights Section
Operating Revenue				
Tenant Revenue	\$ -	\$ -	\$ -	
Grants	11,917,811	5,980,034	5,937,778	II(a)(1)
HAP Revenue	-	-	-	
Miscellaneous Revenue	4,141,948	6,531,608	(2,389,659)	II(a)(2)
Total Operating Revenue	\$ 16,059,760	\$ 12,511,641	\$ 3,548,119	
Operating Expenses				
Salaries and Benefits	\$ 624,990	\$ 875,596	\$ (250,606)	
Ordinary Maintenance and Operations	73,269	58,566	14,703	
Utilities	1,503	2,052	(549)	
Other Expenses	351,493	569,109	(217,616)	
HAP Expense	-	-	-	
Total Operating Expenses	\$ 1,051,256	\$ 1,505,324	\$ (454,068)	
Net Operating Income	\$ 15,008,504	\$ 11,006,317	\$ 4,002,187	
Non-Operating Income (Expenses)				
Interest Expense	\$ (366,842)	\$ (383,902)	\$ 17,060	
Interest Income	166,253	370,142	(203,888)	
Other Income (Expenses)	(4,178,586)	(602,667)	(3,575,919)	II(b)(1)
Total Non-Operating Income (Expenses)	\$ (4,379,174)	\$ (616,427)	\$ (3,762,747)	
Surplus (Deficit) Before Non-Cash Items	\$ 10,629,330	\$ 10,389,890	\$ 239,440	
Non-Cash Items				
Depreciation and Amortization	\$ (10,496)	\$ (7,015)	\$ (3,481)	
Non-Operating Income (Expense)	(4,386,356)	(3,614,983)	(771,374)	II(b)(1)
Total Non-Cash Items	\$ (4,396,852)	\$ (3,621,998)	\$ (774,854)	
Change in Net Position	\$ 6,232,478	\$ 6,767,892	\$ (535,414)	II(b)(1)

*Capital Fund column includes Capital Fund and Real Estate Services

**San Antonio Housing Authority
Financial Performance Report
As of March 31, 2021
(UNAUDITED)**

HIGHLIGHTS

The Financial Performance Report was modified to present two condensed statements of revenue and expenses to separate SAHA's core business activities ("Operations") from the Capital Fund and Real Estate Services lines of business ("Capital").

For the nine months ended March 31, 2021, the Operations segment generated a surplus before non-cash items of \$9.3 million, which was \$12.0 million above budget. Total Operating Revenue was above budget by \$1.8 million, or 1.33 percent, and Total Operating Expenses were below budget by \$9.0 million, or 6.54 percent.

For the nine months ended March 31, 2021, the Capital segment produced a surplus before non-cash items of \$10.6 million, which was \$0.2 million above budget. Total Operating Revenue was above budget by \$3.5 million, or 28.36 percent, and Total Operating Expenses were below budget by \$0.5 million, or 30.16 percent.

Total Assets and Deferred Outflows of Resources increased by \$61.4 million, or 15.71 percent. Total Liabilities and Deferred Inflows of Resources increased by \$43.5 million, or 45.05 percent. Presented below are explanations which summarize the results of operations (Operations and Capital segments) and the combined changes in financial condition.

I. Income Statement (Operations)

Total Operating Revenue was above budget by \$1.8 million and Total Operating Expenses were below budget by \$9.0 million.

(a) **Operating Revenue**

- (1) Tenant revenue was below budget by \$1.2 million due to an unfavorable variance in the Beacon sector of \$1.8 million which was partially offset by a favorable variance of \$0.6 million in the Public Housing sector. Vacancies for Beacon did not have any budgeted amounts and was the primary cause of Beacon's unfavorable variance. The primary properties contributing to the vacancies were Woodhill, Cottage Creek I, Cottage Creek II and Refugio which all had year-to-date occupancy between 88 and 90 percent. Additionally, collection losses were below budget by \$0.7 million primarily related to an entry for allowance of doubtful accounts influenced by the forecasted impact of COVID-19. Public Housing performed favorably with a total variance of \$0.6 million because the budgeted balances were pessimistic and tied to a forecast of unemployment due to COVID-19.
- (2) Grant revenue was above budget by \$3.8 million primarily due to the receipt of \$2.4 million in CARES Act funding which impacted the Section 8, Public Housing and Beacon sectors. Also contributing were favorable variances of \$0.5 million in Section 8 administrative fees and \$0.7 million in Public Housing operating subsidy.
- (3) Section 8 Housing Assistance Payment (HAP) Expense ended the period with a favorable variance of \$6.0 million, which was offset in the HAP Revenue account by draws made for the Labor Street, East Meadows Public Improvements, and Highland Park capital projects as well as supporting the operations of CDI and Public Housing.

**San Antonio Housing Authority
Financial Performance Report
As of March 31, 2021
(UNAUDITED)**

(b) **Operating Expenses**

- (1) The Salaries and Benefits expense line item ended the period \$2.2 million below budget with all segments reporting favorably. The Public Housing and Central Office segments were the primary contributors to the favorable variance.

(c) **Summary of Changes in Net Position**

- (1) Change in Net Position ended the period with an \$11.4 million favorable variance. Net Operating Income was above budget by \$10.8 million. Other Income (Expenses) had a favorable impact of \$2.6 million primarily due to timing of expensing the Capital Funds management fee. Interest Expense was above budget by \$.8 million primarily due to the closing cost of Labor Street and Sunshine Plaza refinance. Interest Income was below budget by \$.6 million due to the unexpected decline in interest earnings due to the pandemic.

II. Income Statement (Capital)

Total Operating Revenue was above budget by \$3.5 million and Total Operating Expenses were below budget by \$0.5 million.

(a) **Operating Revenue**

- (1) Grant revenue was above budget by \$5.9 million primarily due to a favorable variance in the Capital Funds sector of \$5.9 million, which was affected by the timing of Capital Fund grant expenditures.
- (2) Miscellaneous Revenue was below budget by \$2.4 million due to an unfavorable variance of \$2.2 million in development fee revenue. Development fee revenue was budgeted for Horizon Pointe, Pearsall Flats and St. John's Apartments of \$4.7 million; however, we did not realize any of these fees. St. John's and Horizon Pointe Apartments are currently in the development stage pending closure. Partially offsetting the overall unfavorable variance was \$2.5 million in development fees earned in excess of budget, compliance monitoring fees of \$0.6 million and lease payments of \$0.2 million.

(b) **Summary of Changes in Net Position**

- (1) Change in Net Position ended the period with a \$0.5 million unfavorable variance. Net Operating Income was above budget by \$4.0 million. However, Other Income (Expenses) was unfavorable by \$3.6 million attributable to timing of expensing the Capital Funds management fee. Additionally, there was a \$0.8 million unfavorable variance in Non-Operating Income (Expense) as a result of various equity transfers.

III. Balance Sheet

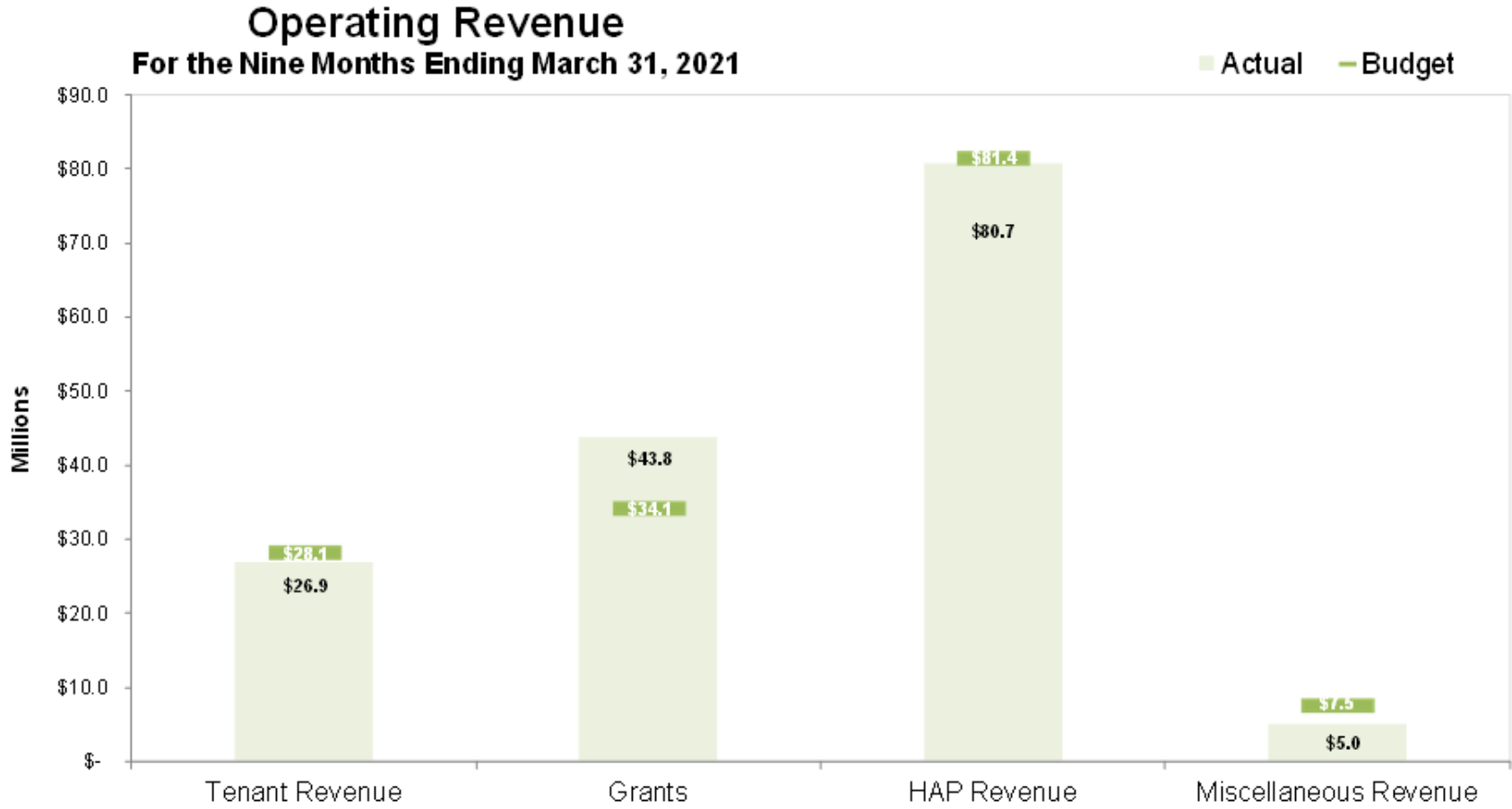
Total Assets and Deferred Outflows of Resources increased by \$61.4 million, Total Liabilities and Deferred Inflows of Resources increased by \$43.5 million, and Total Net Position increased by \$17.9 million.

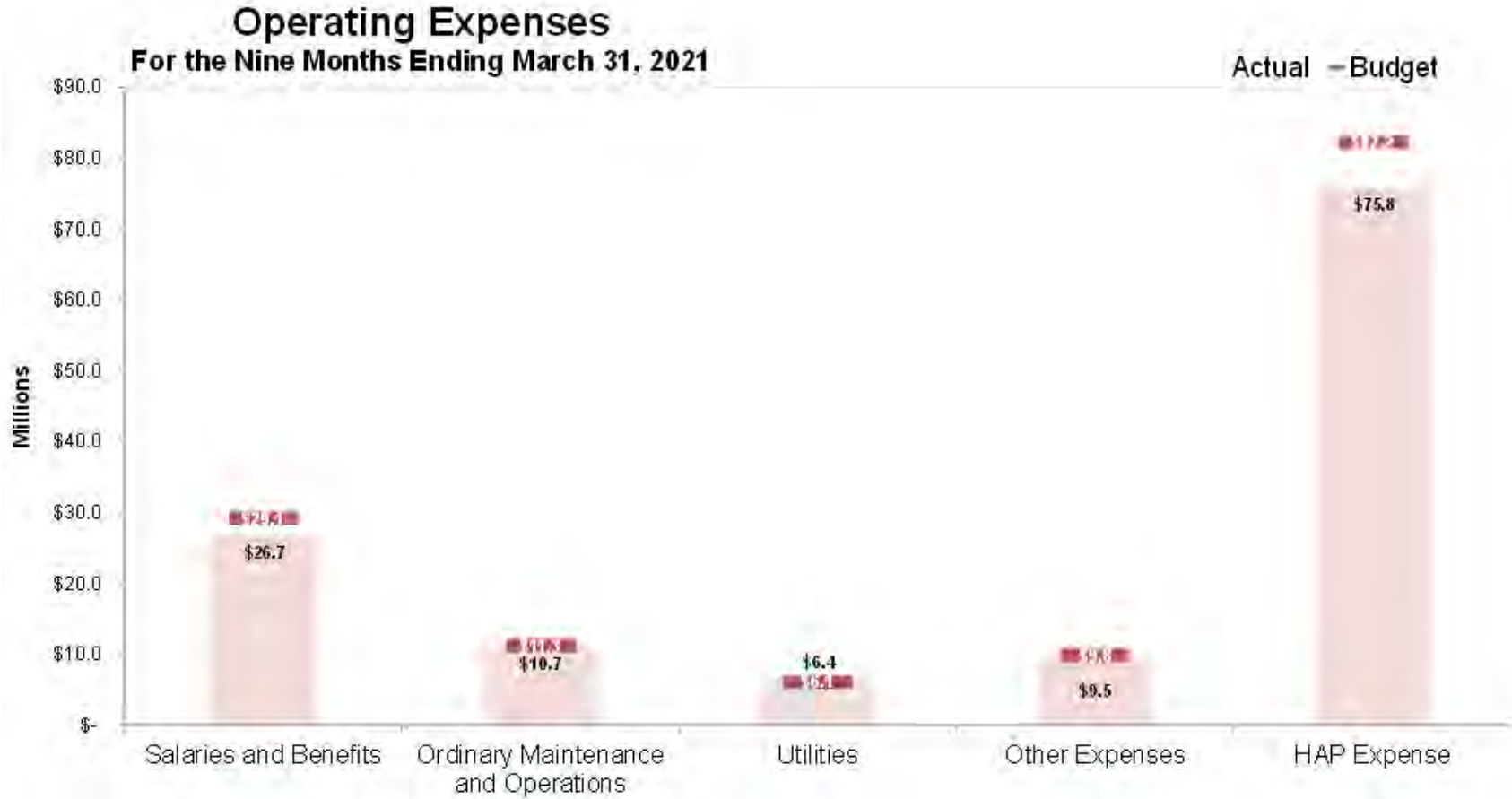
**San Antonio Housing Authority
Financial Performance Report
As of March 31, 2021
(UNAUDITED)**

- (a) Total Assets increased by \$59.8 million, or 15.37 percent, due to increases of \$50.6 million in Fixed Assets and \$21.3 million in Current Assets, offset by a decrease of \$12.2 million in Other Non-Current Assets. The \$50.6 million increase in Fixed Assets resulted primarily from an increase of \$61.2 million in land, buildings and equipment, related to the purchase of four properties in the Beacon portfolio, as well as the acquisition of seven parcels of land related to partnerships which was offset by the routine recording of depreciation of an additional \$36 million. Additionally, there were increases of \$25.4 million in construction in progress related to ongoing modernization projects. The \$21.3 million increase in Current Assets arose primarily from the receipt of \$7.9 million in loan funds for the new EPC loan, of which \$5.5 million remains. Other significant increases included the receipt of \$4.7 million in Capital Fund Administrative funds, \$4.1 million in CARES Act funding, \$2.5 million in Sunshine Plaza loan proceeds, and \$0.7 million in replacement reserves related to the acquisition of the Refugio, Science Park and O'Connor properties. Also, as a result of these acquisitions, there was a decrease in Other Non-Current Assets of \$12.3 million related to the elimination of related party notes and general partner investments.
- (b) Total Liabilities increased by \$43.5 million, or 45.05 percent, due primarily to the addition of \$20.4 million in debt related to the acquisition of the Rosemont at Highland Park, Science Park II, O'Connor Road, and Refugio properties. Additionally, there were increases of \$16.2 million in debt related to the new EPC loan of \$7.9 million, Sunshine debt of \$2.6 million and Labor debt of \$5.7 million. Also contributing were \$6.9 million in increased deferred revenue related to ground leases.
- (c) Total Net Position increased by \$17.9 million, or 6.08 percent, as a result of the changes described above.

III. MTW Expenditures

Projects	Cumulative Expenditure Balance as of 03/31/21	
Community Development Initiatives	\$	976,117
PH Operating Loss shortfall		973,614
Capital Planning		283,203
Expansion of PH Wifi - \$2 Million		347,723
Development Activities:		
East Meadows Public Improvements		617,612
Development of Alazan Lofts		(52,510)
100 Labor Multi Family Development		3,781,527
Rosemont at Highland Park		409,838
Total	\$	7,337,125





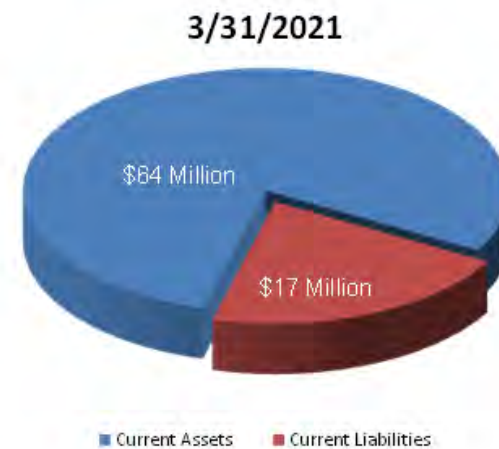
SAHA experienced increases in liquidity and remains financially strong.

Financial Strength



The debt-to-equity ratio increased from 0.33 to 0.45 due primarily to acquisitions of various partnerships.

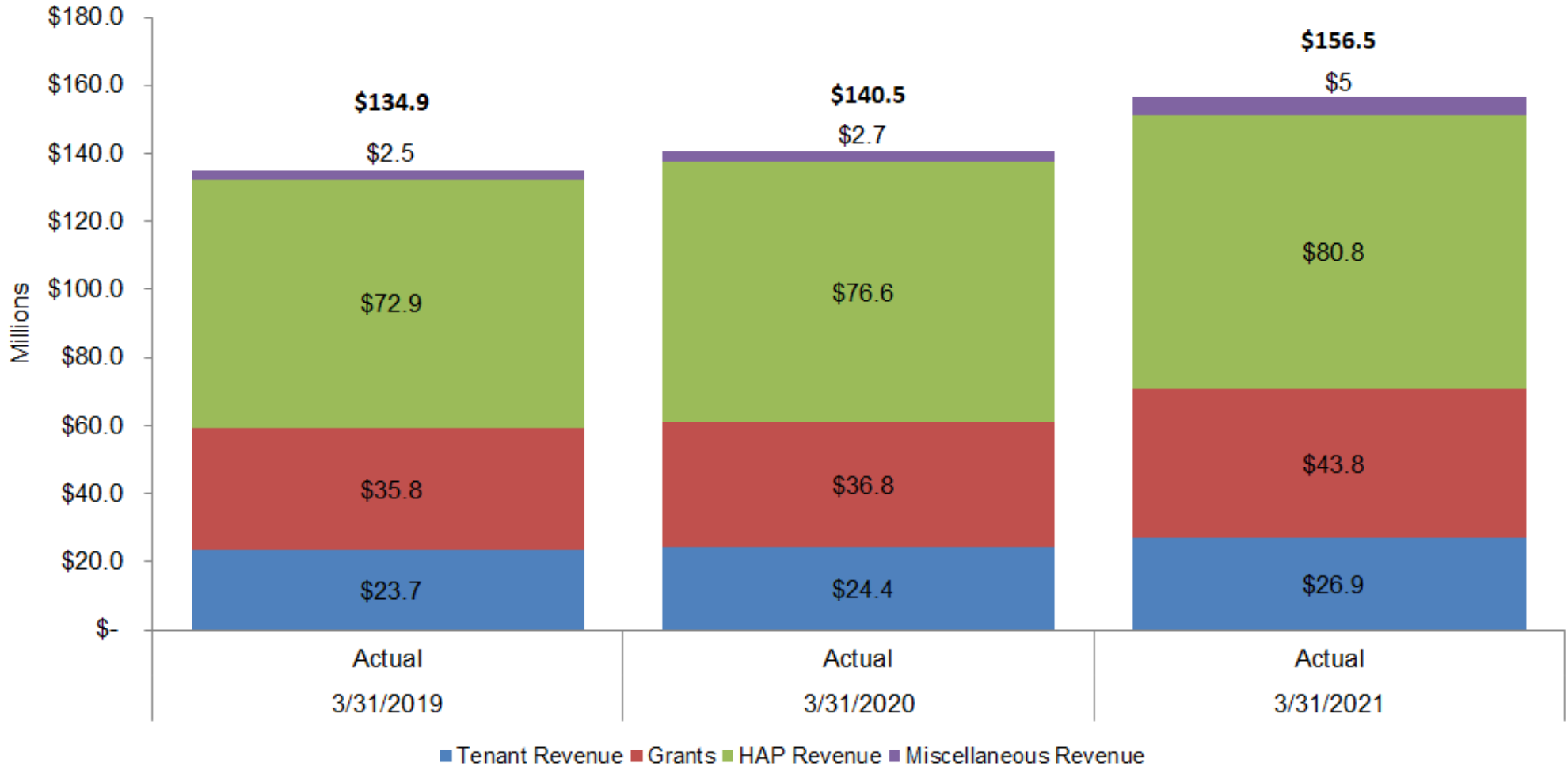
Financial Liquidity



The current ratio increased from 3.12 to 3.76, indicating SAHA's stronger capacity to pay short-term obligations.

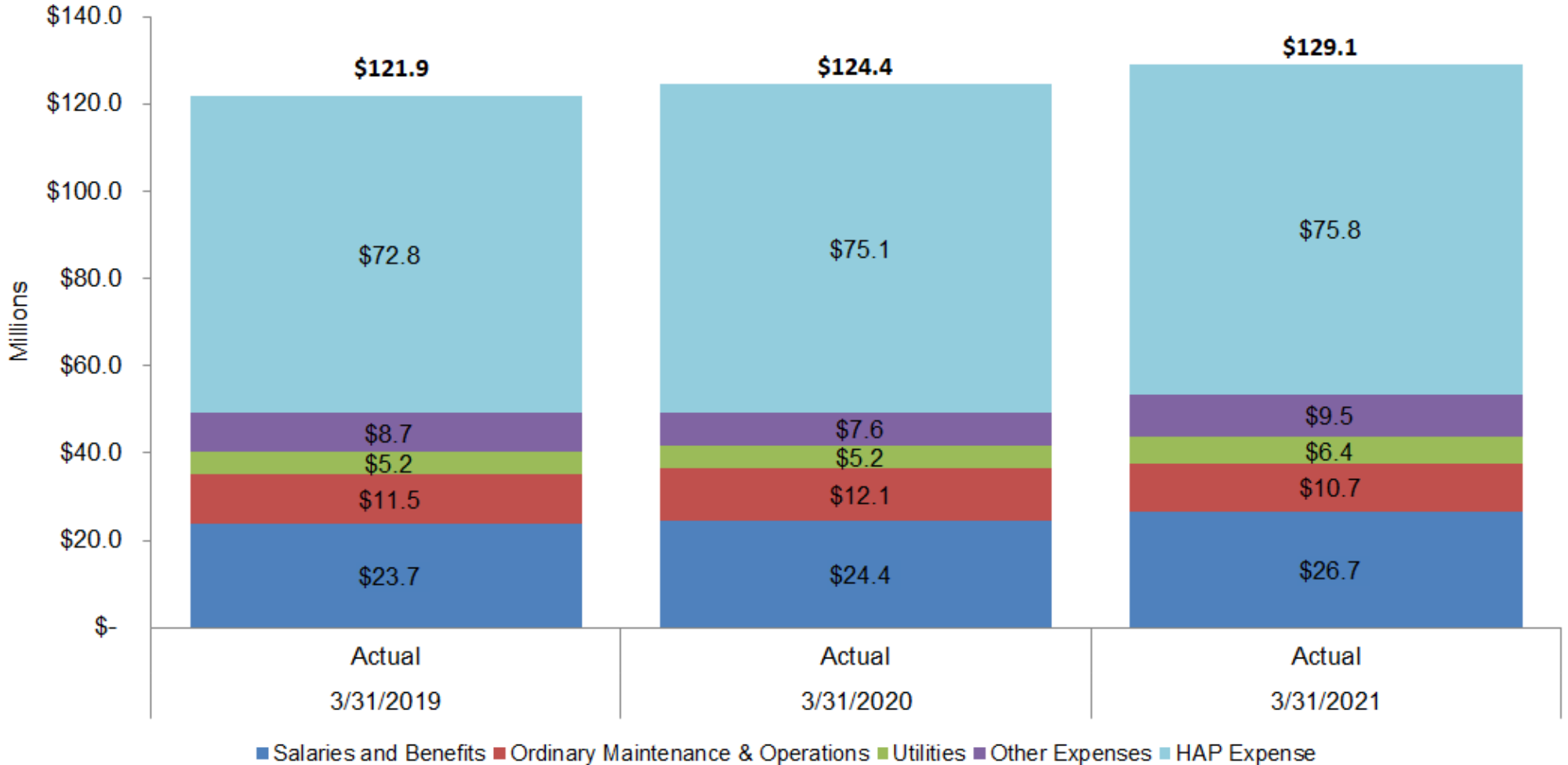
Total Revenue was approximately 10% higher compared to the previous year with Grants Revenue the primary contributor

Revenue - Fiscal Year Comparison



Total Expenses were 4% higher compared to the previous year chiefly caused by higher Salaries and Benefits.

Expenses - Fiscal Year Comparison



Summary of Major Changes in Cash and Investment Balance

For the Quarterly Period Ending December 31, 2020

The overall cash and investment balance increased by \$1.2 million over the previous quarter primarily due to the closing of a loan to rehabilitate the Sunshine Plaza Apartments, a Beacon community, net of cash payments made to vendors in connection with capital projects at various properties.

On May 15, 2020, the agency was notified by Frost Bank that due to the economic impact of the COVID-19 pandemic, interest rates had fallen to 0.01%. To maximize the interest earned on deposits, available cash will continue to be invested in U.S. Treasury Bills with maturities ranging from 3 to 6 months. All investments were made per the agency's investment policy and did not have an impact on the overall change in cash & investments.

Cash

Unrestricted Cash

- **Central Office Cost Center-** There is a net cash decrease of approximately \$10.6 million over the previous quarter primarily due to the reinvestment of \$9 million in two unrestricted T-bills and the transfer out of \$1.5 million to various Public Housing properties and one Beacon community to fund ongoing capital projects and operating deficits, respectively. **For information on the investments see Investments- Unrestricted Investments at Various Banks- Central Office Cost Center on the report.**
- **Public Housing-** There is a net cash decrease of approximately \$2.3 million over the previous quarter primarily due to the reinvestment of \$4.5 million in an unrestricted T-bill partially offset by the transfer in of \$974 thousand in Moving to Work funds to cover current operating deficits, the maturity of \$1 million T-bill investment. **For more information on the investments see Investments- Unrestricted Investments at Various Banks- Public Housing on the report.**
- **Project Based Properties-** There is a net cash decrease of approximately \$2.2 million largely due to the reinvestment of \$2.4 million in three unrestricted T-bills. **For more information on the investments see Investments- Unrestricted Investments at Various Banks- PBA Properties on the report.**
- **Properties under SAHFC-** There is a net cash decrease of approximately \$3.7 million mainly due to the reinvestment of \$5 million in an unrestricted T-bill and the settlement of intercompany balances in connection with ongoing capital projects net of the receipt of \$1.8 million in developer fees from the closing of a deal to construct the Labor Street project, a new Beacon community. **For more information on the investment see Investments- Unrestricted Investments at Various Banks- Properties under SAHFC on the report.**

Restricted Cash

- **Project Based Properties-** There is a net cash increase of approximately \$2.4 million primarily due to the receipt of \$2.5 million in net proceeds from the closing of a tax-exempt mortgage loan for the rehabilitation of the Sunshine Plaza Apartments, a Beacon community.

**San Antonio Housing Authority
Cash and Investment Summary
December 31, 2020**

	Balance 9/30/2020	Deposits	Withdrawals	Balance 12/31/2020
Cash				
Unrestricted Cash:				
Central Office Cost Center (1)	10,937,258	2,531,636	13,113,320	355,574
Public Housing (1)	4,996,664	14,324,324	16,601,783	2,719,205
Section 8 (1)	6,176,044	2,372,071	2,758,545	5,789,569
Community Development Initiatives	80,277	5,626,400	5,626,593	80,084
Central Office- Health Insurance (2)	3,395,007	1,272,010	4,221,180	445,837
Homeownership	45,466	23,781	7,443	61,803
Project Based Properties (1)	3,217,687	3,376,274	5,545,267	1,048,695
Properties under SAHFC (3) (4)	8,064,452	18,304,362	22,020,214	4,348,601
Education Investment Foundation	-	136,909	107,847	29,062
Capital Fund Program (1)	-	852,001	852,001	-
Development Activities under SAHFC	1,186,131	6,162,276	7,078,599	269,808
Other Beacon Properties Cash (5)	5,228,384	5,145,971	6,760,258	3,614,097
Central Bank Cash				
Other Unrestricted Cash	4,424,834	41,123,496	42,122,740	3,425,590
Sub-Total:	47,752,203	101,251,512	126,815,790	22,187,925
Restricted Cash:				
Central Office Cost Center	300,000	-	-	300,000
Public Housing	10,969,401	6,217,209	10,132,084	7,054,527
Section 8	1,759,643	33,026,828	32,799,116	1,987,355
Project Based Properties	812,620	2,497,827	56,008	3,254,440
Properties under SAHFC	7,039,272	5,056,677	4,215,986	7,879,963
Education Investment Foundation	154,692	30,408	179,600	5,500
Capital Fund Program	8,857,741	31	76,825	8,780,947
Development Activities under SAHFC	966,626	8,485	171,003	804,108
Non-Profit-Other Restricted	615,138	104,897	88,489	631,547
Other Restricted Cash	869,238	48,734	65,498	852,474
Endowment Trust	590,500	13	16,587	573,925
Sub-Total:	80,687,074	148,242,621	174,616,985	54,312,710
Investments				
Unrestricted Investments at Various Banks:				
Central Office Cost Center (1)	-	8,901,004	2,554	8,898,450
Central Office- Health Insurance (2)	-	3,000,285	460	2,999,825
Public Housing (1)	4,267,490	4,814,705	4,269,883	4,812,313
PBA Properties (1)	-	2,375,293	869	2,374,423
Properties under SAHFC	-	7,693,883	2,319	7,691,563
Development Activities under SAHFC	-	887,982	444,048	443,934
Other Beacon Properties	1,999,761	3,550,689	2,001,388	3,549,061
Restricted Investments at Various Banks:				
Public Housing	2,731,674	9,487,909	2,735,461	9,484,122
Properties under SAHFC	4,999,403	938,716	5,000,367	937,752
Other Restricted Investments	1,432,373	1,786,280	1,419,206	1,799,447
Sub-Total:	15,430,700	43,436,746	15,876,556	42,990,891
Total Cash & Investments:	\$ 96,117,775	\$ 191,679,368	\$ 190,493,541	\$ 97,303,601

- (1) Cash and Investments related to federal programs
 (2) Cash and Investments related to self insurance program
 (3) Includes \$2.2 Million in funds earmarked for capital projects at three Beacon communities
 (4) Includes \$1.1 Million in cash from acquired tax credit partnerships internally restricted by the Limited Partnership Agreements
 (5) Includes \$154 Thousand in cash earmarked for capital repairs at one Beacon community

**San Antonio Housing Authority
 Investment Value
 December 31, 2020**

Investment	Maturity Date	Book Value		Market Value	
		9/30/2020	12/31/2020	9/30/2020	12/31/2020
COCC Unrestricted - T-Bill 9127963W7	February 4, 2021	-	3,899,773	-	3,899,786
COCC Health Insurance - T-Bill	February 4, 2021	-	2,999,825	-	2,999,835
PH Restricted - T-Bill 9127963W7	February 4, 2021	-	1,049,939	-	1,049,942
Pecan Hill - T-Bill 9127963W7	February 4, 2021	-	249,985	-	249,986
SAHFC MM - T-Bill 9127963W7	February 4, 2021	-	3,149,816	-	3,149,827
COCC Unrestricted - T-Bill 9127964Z9	April 29, 2021	-	4,998,678	-	4,998,700
PH Restricted - T-Bill 9127964Z9	April 29, 2021	-	2,099,445	-	2,099,454
PH Unrestricted - T-Bill 9127964Z9	April 29, 2021	-	4,498,810	-	4,498,830
Mirasol Settlement - T-Bill 9127964Z9	April 29, 2021	-	6,648,241	-	6,648,271
Converse Ranch I - T-Bill 9127964Z9	April 29, 2021	-	799,788	-	799,792
Pecan Hill - T-Bill 9127964Z9	April 29, 2021	-	749,802	-	749,805
SAHFC - MM T-Bill 9127964Z9	April 29, 2021	-	5,923,433	-	5,923,460
Sendero I PFC - T-Bill 9127964Z9	April 29, 2021	-	249,934	-	249,935
Sunshine Plaza - T-Bill 9127964Z9	April 29, 2021	-	1,374,636	-	1,374,643
Woodhill PFC - T-Bill 9127964Z9	April 29, 2021	-	2,499,339	-	2,499,350

**San Antonio Housing Authority
 Cash Held for Tax Credit Partnerships
 December 31, 2020**

	9/30/2020	Deposits	Withdrawals	12/31/2020
Cash from Tax-Credit Partnerships	1,956,741	923,864	882,834	1,997,771
Total Cash Held for Partnerships Managed by SAHA:	\$ 1,956,741	\$ 923,864	\$ 882,834	\$ 1,997,771

**San Antonio Housing Authority
 Collateralization
 December 31, 2020**

	Total Deposits	Deposits Covered by FDIC	Deposits Covered by Collateral	Pledged Collateral
Frost National Bank	\$ 45,218,541	\$ 500,000	\$ 45,218,541	\$ 91,480,719
Orix Real Estate Capital, LLC	\$ 1,214,104	\$ 750,000	\$ -	\$ -
US Bank	\$ 804,387	\$ -	\$ -	\$ -
Bank of New York - Woodhill	\$ 1,204,506	\$ -	\$ -	\$ -
Bank of New York - Sendero	\$ 132,867	\$ -	\$ -	\$ -
Bank of New York - Converse Ranch II	\$ 268,907	\$ -	\$ -	\$ -
Wells Fargo - Rosemont at Highland Park	\$ 193,167	\$ -	\$ -	\$ -
Walker & Dunlop - Converse Ranch I	\$ 444,936	\$ 250,000	\$ -	\$ -
Walker & Dunlop - Bella Claire	\$ 33,756	\$ 33,756	\$ -	\$ -
Walker & Dunlop - SAHFC	\$ 416,031	\$ 250,000	\$ -	\$ -
Berkadia Commercial Mortgage, LLC	\$ 170,693	\$ 170,693	\$ -	\$ -
Total Collateralized deposits:	\$ 50,101,894	\$ 1,954,449	\$ 45,218,541	\$ 91,480,719

FDIC has made permanent the standard coverage - all funds in noninterest-bearing accounts are fully insured up to \$250,000
The accompanying Cash and Investment Summary Report has been prepared in accordance with the compliance requirements of the Texas Public Funds Investment Act, Chapter 2256. As the Investment Officer for the San Antonio Housing Authority I certify that all investments in our portfolio comply with the investment strategy expressed in SAHA's Investment Policy dated April 14, 2016 and with the relevant provisions of the State of Texas, Government Code, Chapter 2256, Public Funds Investment.

DocuSigned by:
Diana Fiedler 4/30/2021

D88538378C13429
Diana K. Fiedler, CPA, CGMA
Investment Officer, Director of Finance and Accounting

DocuSigned by:
Ed Hinojosa Jr 4/30/2021

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Ed Hinojosa Jr.
CFO

Summary of Major Changes in Cash and Investment Balance

For the Quarterly Period Ending March 31, 2021

The overall cash and investment balance increased by \$2 million over the previous quarter primarily due to the receipt of developer fees and cash flow distributions from various tax credit partnerships and proceeds from various Public Housing property and land sales partially offset by cash payments made to vendors for quarterly insurance renewals and ongoing capital projects at various properties.

On May 15, 2020, the agency was notified by Frost Bank that due to the economic impact of the COVID-19 pandemic, interest rates had fallen to 0.01%. To maximize the interest earned on deposits, available cash will continue to be invested in U.S. Treasury Bills with maturities ranging from 3 to 6 months. All investments were made per the agency's investment policy and did not have an impact on the overall change in cash & investments.

Cash

Unrestricted Cash

- **Central Office Cost Center-** There is a net cash increase of approximately \$3.6 million over the previous quarter primarily due to the maturity of a T-Bill investment. **For information on the investments see Investments- Unrestricted Investments at Various Banks- Central Office Cost Center on the report.**
- **Central Office – Health Insurance -** There is a net cash increase of approximately \$2.8 million over the previous quarter primarily due to the maturity of a T-Bill investment. **For information on the investments see Investments- Unrestricted Investments at Various Banks- Central Office- Health Insurance on the report.**
- **Capital Fund Program-** There is a net cash increase of approximately \$1 million due to the transfer in of restricted Energy Performance Contract funds to settle intercompany balances in connection with conservation projects at various Public Housing properties. See below **Cash- Restricted Cash – Capital Fund Program.**
- **Development Activities under SAHFC -** There is a net cash increase of approximately \$1.2 million primarily due to the receipt of developer fees in connection with 3 tax credit partnership deals.

Restricted Cash

- **Public Housing-** There is a net cash increase of approximately \$1.5 million primarily due to the receipt proceeds from various property and land sales.
- **Properties under SAHFC-** There is a net cash increase of approximately \$6.5 million mainly due to the reclassification of operating reserves received from a construction loan for the Labor Street project and a matured T-Bill investment. **For information on the investments see Investments- Restricted Investments at Various Banks- Properties under SAHFC on the report.**
- **Capital Fund Program-** There is a net cash decrease of approximately \$2 million due to the transfer out of Energy Performance Contract funds to unrestricted cash to settle intercompany balances in connection with conservation projects at various Public Housing properties. See above **Cash- Unrestricted Cash – Capital Fund Program.**

San Antonio Housing Authority
Cash and Investment Summary
March 31, 2021

	Balance 12/31/2020	Deposits	Withdrawals	Balance 3/31/2021
Cash				
Unrestricted Cash:				
Central Office Cost Center (1)	355,574	7,329,983	3,754,919	3,930,638
Public Housing (1)	2,719,205	16,162,541	16,395,403	2,486,344
Section 8 (1)	5,789,569	2,387,504	3,117,525	5,059,547
Community Development Initiatives	80,084	2,386,699	2,342,531	124,252
Central Office- Health Insurance (2)	445,837	4,439,101	1,644,121	3,240,817
Homeownership	61,803	6,282	4,307	63,778
Project Based Properties (1)	1,048,695	3,886,368	4,091,819	843,244
Properties under SAHFC (3) (4)	4,348,601	77,587,916	77,230,142	4,706,375
Education Investment Foundation	29,062	67,442	95,692	812
Capital Fund Program (1)	-	2,854,428	1,881,447	972,982
Development Activities under SAHFC	269,808	30,725,612	29,569,070	1,426,350
Other Beacon Properties Cash (5)	3,614,097	3,174,605	3,424,610	3,364,092
Other Unrestricted Cash	3,425,590	41,994,706	42,069,605	3,350,690
Sub-Total:	22,187,925	193,003,187	185,621,191	29,569,921
Restricted Cash:				
Central Office Cost Center	300,000	-	49,261	250,739
Public Housing	7,054,527	2,398,405	888,127	8,564,804
Section 8	1,987,355	45,053,360	45,471,305	1,569,409
Project Based Properties	3,254,440	30,020	6,633	3,277,827
Properties under SAHFC	7,879,963	11,735,119	5,194,051	14,421,030
Education Investment Foundation	5,500	48,746	-	54,246
Capital Fund Program	8,780,947	51	2,045,594	6,735,403
Development Activities under SAHFC	804,108	75,135	700	878,543
Non-Profit-Other Restricted	631,547	56,339	153,512	534,374
Other Restricted Cash	852,474	47,354	64,382	835,446
Endowment Trust	573,925	13	15,328	558,610
Sub-Total:	54,312,710	252,447,727	239,510,084	67,250,353
Investments				
Unrestricted Investments at Various Banks:				
Central Office Cost Center (1)	8,898,450	1,228	3,900,000	4,999,678
Central Office- Health Insurance (2)	2,999,825	175	3,000,000	-
Public Housing (1)	4,812,313	963	-	4,813,276
Project Based Properties (1)	2,374,423	440	250,000	2,124,863
Properties under SAHFC	7,691,563	1,128	2,900,000	4,792,691
Development Activities under SAHFC	443,934	53	250,000	193,987
Other Beacon Properties	3,549,061	710	-	3,549,771
Restricted Investments at Various Banks:				
Public Housing	9,484,122	1,749	1,050,000	8,435,871
Properties under SAHFC	937,752	188	-	937,940
Other Restricted Investments	1,799,447	1,884,128	1,512,355	2,171,220
Sub-Total:	42,990,891	1,890,760	12,862,355	32,019,296
Total Cash & Investments:	\$ 97,303,601	\$ 254,338,487	\$ 252,372,439	\$ 99,269,649

- (1) Cash and Investments related to federal programs
- (2) Cash and Investments related to self insurance program
- (3) Includes \$1.9 Million in funds earmarked for capital projects at three Beacon communities
- (4) Includes \$1.2 Million in cash from acquired tax credit partnerships internally restricted by the Limited Partnership Agreements
- (5) Includes \$146 Thousand in cash earmarked for capital repairs at one Beacon community

**San Antonio Housing Authority
Investment Value
March 31, 2021**

Investment	Maturity Date	Book Value		Market Value	
		12/31/2020	3/31/2021	12/31/2020	3/31/2021
COCC Unrestricted - T-Bill 9127964Z9	April 29, 2021	4,998,678	4,999,678	4,998,700	4,999,975
PH Restricted - T-Bill 9127964Z9	April 29, 2021	2,099,445	2,099,865	2,099,454	2,099,990
PH Unrestricted - T-Bill 9127964Z9	April 29, 2021	4,498,810	4,499,710	4,498,830	4,499,978
Mirasol Settlement - T-Bill 9127964Z9	April 29, 2021	6,648,241	6,649,571	6,648,271	6,649,967
Converse Ranch I - T-Bill 9127964Z9	April 29, 2021	799,788	799,948	799,792	799,996
Pecan Hill - T-Bill 9127964Z9	April 29, 2021	749,802	749,952	749,805	749,996
SAHFC - MM T-Bill 9127964Z9	April 29, 2021	5,923,433	5,924,918	5,923,460	5,924,970
Sendero I PFC - T-Bill 9127964Z9	April 29, 2021	249,934	249,984	249,935	249,999
Sunshine Plaza - T-Bill 9127964Z9	April 29, 2021	1,374,636	1,374,911	1,374,643	1,374,993
Woodhill PFC - T-Bill 9127964Z9	April 29, 2021	2,499,339	2,499,839	2,499,350	2,499,988

**San Antonio Housing Authority
Cash Held for Tax Credit Partnerships
March 31, 2021**

	12/31/2020	Deposits	Withdrawals	3/31/2021
Cash from Tax-Credit Partnerships	1,997,771	586,025	689,187	1,894,609
Total Cash Held for Partnerships Managed by SAHA:	\$ 1,997,771	\$ 586,025	\$ 689,187	\$ 1,894,609

**San Antonio Housing Authority
Collateralization
March 31, 2021**

	Total Deposits	Deposits Covered by FDIC	Deposits Covered by Collateral	Pledged Collateral
Frost National Bank	\$ 55,833,664	\$ 500,000	\$ 55,833,664	\$ 82,352,964
Lument Capital, LLC	\$ 1,227,644	\$ 750,000	\$ -	\$ -
US Bank	\$ 878,823	\$ -	\$ -	\$ -
Bank of New York - Woodhill	\$ 1,513,122	\$ -	\$ -	\$ -
Bank of New York - Sendero	\$ 186,623	\$ -	\$ -	\$ -
Bank of New York - Converse Ranch II	\$ 282,183	\$ -	\$ -	\$ -
Wells Fargo - Rosemont at Highland Park	\$ 189,292	\$ -	\$ -	\$ -
Walker & Dunlop - Converse Ranch I	\$ 470,015	\$ 250,000	\$ -	\$ -
Walker & Dunlop - Bella Claire	\$ 36,990	\$ 36,990	\$ -	\$ -
Walker & Dunlop - SAHFC	\$ 365,821	\$ 250,000	\$ -	\$ -
Berkadia Commercial Mortgage, LLC	\$ 71,800	\$ 71,800	\$ -	\$ -
Total Collateralized deposits:	\$ 61,055,976	\$ 1,858,790	\$ 55,833,664	\$ 82,352,964

FDIC has made permanent the standard coverage - all funds in noninterest-bearing accounts are fully insured up to \$250,000
The accompanying Cash and Investment Summary Report has been prepared in accordance with the compliance requirements of the Texas Public Funds Investment Act, Chapter 2256. As the Investment Officer for the San Antonio Housing Authority I certify that all investments in our portfolio comply with the investment strategy expressed in SAHA's Investment Policy dated April 14, 2016 and with the relevant provisions of the State of Texas, Government Code, Chapter 2256, Public Funds Investment.

DocuSigned by:
Diana Fiedler 5/3/2021
D78538376C3A28

Diana K. Fiedler, CPA, CGMA
Investment Officer, Director of Finance and Accounting

DocuSigned by:
Ed Hinojosa 5/3/2021
D7D49F73613F4FA...

Ed Hinojosa Jr.
CFO

GRANTS REPORT AS OF March 31, 2021

Grant Number	Obligation End Date	Expenditure End Date	Amount to be Obligated by End Date	LOCCS Authorized	Cumulative PHA Obligated	Unobligated Amount	Obligation Percentage	Cumulative GL PHA Expended	Expended Percentage	LOCCS Disbursement	CAPITAL GRANTS		
											Unmet expenditure deadline approaching within 6 Months	Unmet obligation deadline approaching within 12 Months	
Capital Fund Program (CFP)													
Capital Projects at various PH Properties													
TX59P006501-10	07/14/12	07/14/14	\$ 8,770,114.80	\$ 9,744,572.00	\$ 9,744,572.00	\$ -	100%	\$ 9,744,572.00	100%	\$ 9,744,572.00	(1)		
*Major Project: Marie McGuire													
TX59P006501-11	08/02/13	08/02/15	\$ 7,336,199.70	\$ 8,151,333.00	\$ 8,151,333.00	\$ -	100%	\$ 8,151,333.00	100%	\$ 8,151,333.00	(1)		
*Major Projects: Blanco, Marie McGuire, Westway													
TX59P006501-12	03/11/14	03/11/16	\$ 6,669,297.00	\$ 7,410,330.00	\$ 7,410,330.00	\$ -	100%	\$ 7,410,330.00	100%	\$ 7,410,330.00	(1)		
*Major Projects: Fair Avenue, South San, Sun Park													
TX59P006501-13	09/08/15	09/08/17	\$ 6,472,918.80	\$ 7,192,132.00	\$ 7,192,132.00	\$ -	100%	\$ 7,192,132.00	100%	\$ 7,192,132.00	(1)		
*Major Projects: Lewis Chatham, Jewett Circle, Westway													
TX59P006501-14	05/12/16	05/12/18	\$ 6,564,698.10	\$ 7,294,109.00	\$ 7,294,109.00	\$ -	100%	\$ 7,294,109.00	100%	\$ 7,294,109.00	(1)		
*Major Projects: Westway, Charles Andrews, Cassiano Homes													
TX59P006501-15	04/12/17	04/12/19	\$ 6,785,826.30	\$ 7,539,807.00	\$ 7,539,807.00	\$ -	100%	\$ 7,539,807.00	100%	\$ 7,539,807.00	(1)		
*Major Projects: Charles Andrews, HB Gonzalez													
TX59P006501-16	04/12/18	04/12/20	\$ 7,024,842.00	\$ 7,805,380.00	\$ 7,805,380.00	\$ -	100%	\$ 7,805,380.00	100%	\$ 7,805,380.00	(1)(2)		
*Major Projects: Westway, WC White													
TX59P006501-17	08/15/19	08/15/21	\$ 7,176,040.20	\$ 7,973,378.00	\$ 7,973,378.00	\$ -	100%	\$ 7,973,378.00	100%	\$ 7,973,378.00	(1)(3)		
*Major Projects: Victoria Plaza, Villa Tranchese													
TX59P006501-18	05/28/21	05/28/23	\$ 11,098,890.00	\$ 12,332,100.00	\$ 12,332,100.00	\$ -	100%	\$ 12,332,100.00	100%	\$ 12,332,100.00	(1)(4)		
*Major Projects: Victoria Plaza, Fair Avenue													
TX59P006501-19	10/15/22	10/15/24	\$ 11,636,649.90	\$ 12,929,611.00	\$ 12,929,611.00	\$ -	100%	\$ 11,319,813.56	88%	\$ 10,407,246.03	(5)		
*Major Projects: Victoria Plaza, Fair Avenue													
TX59P006501-20	09/25/23	09/25/25	\$ 11,827,386.00	\$ 13,141,540.00	\$ 10,160,386.68	\$ 2,981,153.32	77%	\$ 3,854,197.46	29%	\$ 3,399,159.75	(6)		
*Major Projects: Madonna, L.C. Rutledge													
TX59P006501-21	02/22/23	02/22/25	\$ 11,865,870.90	\$ 13,184,301.00	\$ -	\$ 13,184,301.00	0%	\$ -	0%	\$ -	(7)		
*Major Projects: Mirasol, Francis Furey													
TX59E006501-18	08/12/21	08/12/22	\$ 225,000.00	\$ 250,000.00	\$ -	\$ 250,000.00	0%	\$ -	0%	\$ -			
*Major Projects: Riverside, Villa Veramendi													
Urban Revitalization Program (Hope 6) (URP)													
Choice Neighborhood Grant													
TX6J006CNG112	09/30/19	09/30/19		\$ 29,652,649.09	\$ 29,652,649.09	\$ -	100%	\$ 29,652,649.09	100%	\$ 29,652,649.09	(1)		
*Implementation grant for Wheatley Neighborhood													

(1) These grants are expended and disbursed at 100% however, HUD still requests monthly updates in eLOCCS.
 (2) A portion of the 2016 CFP grant contains DDTF funding of \$832,561. Total DDTF funding has been expended.
 (3) A portion of the 2017 CFP grant contains DDTF funding of \$854,061. Total DDTF funding has been expended.
 (4) A portion of the 2018 CFP grant contains DDTF funding of \$1,204,763. Total DDTF funding has been expended.
 (5) A portion of the 2019 CFP grant contains DDTF funding of \$1,269,432. Total DDTF funding has been expended.
 (6) A portion of the 2020 CFP grant contains DDTF funding of \$733,624. Total DDTF funding has been expended.
 (7) A portion of the 2021 CFP grant contains DDTF funding of \$236,509. No DDTF funding has been expended.

GRANTS REPORT AS OF March 31, 2021

HUD - PROGRAM GRANTS								
Grant Number	Effective Date	Expenditure End Date	LOCCS Authorized	Cumulative Expended	PROGRAM GRANTS		LOCCS Disbursement	
					Expended Percentage	Remaining to Expend		
Resident Opportunities & Self Sufficiency (ROSS) Funding for Family Self Sufficiency (FSS) Coordinators								
ROSS191334	05/13/19	05/12/22	\$ 508,761.00	\$ 245,940.73	48%	\$ 262,820.27	\$ 229,983.49	(8)
*2018 ROSS Service Coordinators								
FSS20TX3445	01/01/20	12/31/20	\$ 936,002.00	\$ 882,420.45	94%	\$ 53,581.55	\$ 882,420.45	(9)
*PH & HCV Combined FSS 2019								
FSS21TX4127-01-00	01/01/21	12/31/21	\$ 936,002.00	\$ 219,269.56	23%	\$ 716,732.44	\$ 157,371.32	
*PH & HCV Combined FSS 2020								
Jobs Plus Funding for PHAs to develop locally-based approaches to increase earnings and advance employment outcomes for Public Housing residents								
TX006FJP000815	06/06/16	09/30/22	\$ 2,700,000.00	\$ 2,692,528.89	100%	\$ 7,471.11	\$ 2,692,528.89	(10)
*Jobs Plus - Cassiano								

NON-HUD - PROGRAM GRANTS							
Grant Number	Performance Date	Award Amount	Cumulative Expended	Expended Percentage	Remaining to Expend	Reimbursement Received	
Alamo Colleges Health Professions Opportunity Grant (HPOG)							
HPOG Grant 2019	09/30/19 - 09/29/20	\$ 64,711.00	\$ 62,367.97	96%	\$ 2,343.03	\$ 62,367.97	(11)
HPOG Grant 2020	09/30/20 - 09/29/21	\$ 62,046.00	\$ 28,471.41	46%	\$ 33,574.59	\$ 22,319.54	


(8) Grant expenditures are approximately \$65k short of the projected average cumulative expended amount or expended percentage of 61.11%
 (9) PH & HCV Combined FSS 2019 ended on 12/31/20. \$ 53,581.55 will remain unexpended and recaptured by HUD.
 (10) Jobs Plus program has been completed and funds of \$7,471.11 will remain unexpended and recaptured by HUD.
 (11) HPOG 2019 ended on 09/29/2020 and \$2,343.03 of funds will remain unexpended. All expenses incurred have been reimbursed.

GRANTS REPORT AS OF March 31, 2021

LIST OF GRANT APPLICATIONS						
Grant Name	Award Amount	Date Submitted	Match Amount	Term of the Grant	Application Status	Description
Mobile Beacon Wi-Fly Lending Kit	\$10,000	09/30/20	N/A	N/A	Pending	Connect Home Mobile Beacon Wi-Fly Lending Kit
Jobs Plus - Lincoln Heights	\$2,300,000	12/01/20	N/A	N/A	Pending	HUD Jobs Plus Grant
Capital Assistance Program for Elderly Persons and Persons with Disabilities	\$70,900	12/14/20	N/A	N/A	Awarded 02/26/21	VIA-Federal Transit Administration Grant
FY20 HUD Lead Based Paint	\$5,000,000	12/01/20	N/A	N/A	Pending	HUD Lead Based Paint Grant
FY20 HCV Mobility Demonstration Grant	\$5,150,400	02/01/21	N/A	N/A	Pending	HUD HCV Mobility Demonstration Grant

SAN ANTONIO HOUSING AUTHORITY**May 20, 2021****MEMORANDUM**

To: Finance Committee

From: Ed Hinojosa, Jr., Interim President and CEO  DS

Presented by: Aiyana Longoria, Director of Internal Audit

RE: Update and Discussion regarding Internal Audit

SUMMARY:

Internal Audit provides independent and objective assurance, auditing, and consulting services to add value, improve internal controls, and strengthen the Agency's operations. The function helps the Housing Authority accomplish its objectives by using a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. In addition to its oversight activities, internal audit serves as a resource for identifying opportunities for best practices and efficiencies. The mission of the San Antonio Housing Authority Internal Audit Department is to:

- Ensure the Housing Authority remains a good steward of the public trust by working with all levels of management and staff, as well as the Board of Commissioners, to identify significant risk areas and the internal controls in place to mitigate those risks;
- Provide continuous quality improvement through the review of processes and procedures to identify operational efficiencies and best practices; and,
- Perform all assurance and consulting activities with the highest level of integrity and objectivity.

In accordance with the approved Internal Audit Charter, the Director of Internal Audit (i.e., the Chief Audit Executive), is required to communicate any significant deviation from the approved internal audit plan to the Audit Committee, the President and CEO, and the Legal and Compliance Officer, or equivalent, through periodic activity reports.

This update provides the required communication, as follows:

- Internal Audit Department Update
- Internal Audit Plan Status - FY 2020-2021 Quarter 3
- Summary and Status of Management Corrective Action Plans (related to Internal Audit reporting)

Management Corrective Action Plans resulting from internal audits are entered into a spreadsheet to allow for easier tracking of the status of open items. A copy of the spreadsheet is attached. Each of the action items are color-coded to indicate their status as follows: green indicates the action has a due date 30 days or more in the future; red indicates that the action is behind schedule; and yellow indicates the action has a due date less than 30 days in the future.

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

PROPOSED ACTION:

None at this time.

FINANCIAL IMPACT:

Not applicable.

STRATEGIC OUTCOME:

Supports all strategic outcomes.

ATTACHMENTS:

Presentation

Status of Management Corrective Action Plans



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HOUSING AUTHORITY
Opportunity Lives Here

Internal Audit Update

Finance Committee
May 20, 2021

Internal Audit Q3 Activities in Support of SAHA Strategic Outcomes

Internal Audit Activities that Support All Strategic Outcomes:

- Continuing to work with CDI Family Self-Sufficiency program on escrow review process, and streamlining review to meet the changes in the FSS program direction
 - 20 escrows reviewed and approved for graduation from January 2021 to April 2021
- CSA for Disaster Preparedness
- Audit of Vendor Quality and Dispute Resolution
- Audit of Waitlist and Tenant Selection Plans for Third Party Managed Communities
- Modified Operations Compliance Audits

Status of 2020-2021 Audit Plan

3

❑ Control Self-Assessment (CSA) Disaster Preparedness

- CSA is led by Internal Audit, but working group consists of representation from:
 - Federal Housing Programs, Beacon Communities, Innovative Technology, Human Resources, Safety and Security, Risk, Construction Services and Sustainability, Communications and Public Affairs, Community Development Initiatives, and Development Services and Neighborhood Revitalization
- Working group reconvened in January 2021 to review the draft final Disaster Preparedness Plan, and after the winter storm in February it was determined that the plan would need additional revisions.
- Current focus of the plan is to include feedback received from the community, and continue to enhance the preparedness and emergency response protocol for staff and residents.

Status of 2020-2021 Audit Plan, cont'd.

4

❑ **Audit of Vendor Quality and Dispute Resolution**

- File review completed for 26 vendors awarded under 14 contracts that were renewed during the scope period of 10/1/19-9/30/20.
- Exit conference was conducted with the Director of Procurement on April 30, 2021, and Internal Audit staff is currently working on the draft report.

❑ **Audit of Waitlist and Tenant Selection Plans for Third Party Managed Communities**

- Audit in progress, and will be completed within the quarter.
- Audit will review: Sutton Oaks, the Park at Sutton Oaks, San Juan I, San Juan II, the Gardens at San Juan Square, Wheatley Senior, and East Meadows I.

Status of 2020-2021 Audit Plan, cont'd.

5

Compliance Audits

❑ **Assisted Housing Program** (*Ongoing*)

- Continued Modified operations compliance audits for AHP consist of:
 - New Admissions Income Targeting and Prorated Rent - audit verifies move-ins were not over the income limit at admission, and prorated rents were correct
 - Over and Under Housed Report - audit to identify if the over/under is due to a Reasonable Accommodation, or if the over or under housed has been addressed (via Notes)
 - Certification Audit Report - the review will cover when certifications were open, approved and effective, and that the Housing Assistance Payment/Utilities Assistance Payment (HAP/UAP) differences are correct
 - Review of Port Out billing - audit of HAP/UAP for clients that have ported out to other housing authorities
 - Review of HAP/UAP and prorated rent - review of newly executed HAP contracts

Status of 2020-2021 Audit Plan, cont'd.

6

Compliance Audits, cont'd.

❑ **Public Housing** *(Ongoing)*

- Continued Modified operations compliance audits for PH consist of:
 - Certification Audit report - audit of date certifications were open, approved, and effective
 - Security deposit report - audit to verify what was charged and collected
 - Transfer report - audit to verify that a valid certification was processed within 120 days of the transfer, or that a new one was completed if the last certification was older than 120 days
 - Flat Rent and Utility Allowance - review of occupied units to determine if the correct flat rent and utility allowances are utilized
 - Over/Under Housed - review all occupied units and determine if the resident is in the correct sized unit

Status of 2020-2021 Audit Plan, cont'd.

7

❑ **Public Housing Midyear Modified Compliance Audit**

- Final Report sent to the Finance Committee on April 9, 2021
 - Two Significant Deficiencies, One Other Internal Control Deficiency, and Two Observations
 - Items pending correction will be monitored until completed

❑ **Assisted Housing Programs Midyear Modified Compliance Audit**

- Final Report sent to the Finance Committee on April 9, 2021
 - One Significant Deficiency and One Other Internal Control Deficiency
 - Items pending correction will be monitored until completed

Action Items

Status of Corrective Action Items resulting from Internal Audits

- ❑ Currently, there are twenty-nine (29) open action items
- ❑ Twenty-one (21) of the action items are expected to be completed this fiscal year
- ❑ Eight (8) of the action items are expected to be completed next fiscal year; 2021-2022

Status of Third Party Audits

There are No Third Party Audits to Report.

QUESTIONS?

STATUS OF MANAGEMENT CORRECTIVE ACTION ITEMS as of 5/6/2021

Audit Plan Year	Final Report Date	Audit Title	Finding Type	Finding Number and Title	Finding / Condition Description and Recommendation	Management's Corrective Action Plan	Original Estimated Completion Date	Revised Estimated Completion Date	Status	Resp. Officer's Initials	Comments
Fiscal Year 2016-2017											
FY 16-17	8/20/18	Audit of CDI Grant Funds	Internal Control Deficiency	Finding 3 - BCJI - Delay in the Initial Execution of the Grant	The BCJI grant was awarded on September 25, 2012, to be effective October 1, 2012. Selection of the research partner, Trinity University, was not presented to the Board of Commissioners until June 21, 2013, almost nine months later. Recommendation To ensure compliance with grant provisions, CDI should develop a standard operating procedure for each grant. The procedure should address all grant provisions including, but not limited to, documentation, drawdown, and reporting requirements.	[CDI] staff will review notes from Grants Committee meetings and complete a grants SOP for the Department.	12/31/2018	6/30/2021	In Progress	BP	SOP for Grant Procedures, Monitoring and Oversight has been drafted. It is pending review and approval from grant committee.
FY 16-17	8/20/18	Audit of CDI Grant Funds	Internal Control Deficiency	Finding 5 - BCJI - Missed Financial Reporting Deadlines	Of the 19 Federal Financial Reports reviewed for the BCJI grant, five were filed over one day after the due date as indicated on the electronic confirmation receipt. Recommendation A method for monitoring/confirming the report submission should be established to ensure timely reporting.	a. [CDI] Staff will review notes from Grants Committee meetings and complete a grants SOP for the Department. The SOPs will create a system to ensure that important dates and deadlines are met, including grant performance and financial reports.	12/31/2018	6/30/2021	In Progress	BP	SOP for Grant Procedures, Monitoring and Oversight has been drafted. It is pending review and approval from grant committee.
FY 16-17	8/20/18	Audit of CDI Grant Funds	Internal Control Deficiency	Finding 6 - BCJI - Late Submission of Expenses	The Federal Financial Report, submission 12 with a reporting period end date of September 30, 2015, included \$2,363.86 in expenses incurred during the previous quarter. These expenses were reported on line 10-e of the Federal Share of Expenditures report, in the column labeled This Period. Recommendation Ensure that all expenses and related reporting are completed in the required time frame, as listed in the BCJI Grant documentation.	[CDI] staff will review notes from Grants Committee meetings and complete a grants SOP for the Department. The SOPs will create a system to ensure that important dates and deadlines are met, including grant performance and financial reports. The Director of CDI will review and analyze adding an analyst position to the CDI Department. CDI will work with Finance and Accounting to determine the scope of work for the proposed analyst position and determine, during next fiscal year's budget process, if the adding the position is financially feasible.	7/1/2019	6/30/2021	In Progress	BP	SOP for Grant Procedures, Monitoring and Oversight has been drafted. It is pending review and approval from grant committee.
FY 16-17	4/16/19	Audit of Tenant Participation Funds at Parkview Apartments	Significant Deficiency	Finding 3 - Check Disbursements	Recommendation Internal Audit recommends that the Property Manager or Case Management Specialist assist the RC with establishing a bank account that will conform to the requirements set forth in the RC Manual. including the requirement for dual signatures, with the Treasurer being one of the signatories on each disbursement. Additionally, either the Property Manager or the Case Management Specialist should be on the bank account.	CDI Management will meet with PH Management to determine the best course of action for supporting RC with establishing bank accounts. An SOP will be developed to provide guidance for SAHA staff who have expressed concerns with adding their names to the RC bank account.	5/8/2019	6/30/2021	In Progress	BP	
Fiscal Year 2019-2020											
FY 19-20	10/30/20	Audit of Rent Calculation and Collection Processes at Public Housing Communities	Significant Deficiency	Finding 1- Incorrect rent calculations, and incomplete corrections	Recommendation Management should reemphasize to staff the importance of accuracy in all aspects of calculating rent amounts, including correctly determining household income and allowances; and in obtaining and reviewing documentation for deductions, as well as the importance of complying with HUD regulations and SAHA policies and procedures for corrections. Management should also develop a monitoring plan to ensure complete corrections for files that have been returned with a rent determination error.	Intensive Rent Calculation training was conducted June 29 and June 30 for all Public Housing Customer Service Specialists and Assistant Community Managers. The training included methods of verification, annual income calculation, adjusted income calculation, and rent calculation. Management is currently working with Internal Audit and Innovative Technology (IT) to create a quality control database for staff to utilize in correcting deficiencies. The database will enable staff to effectively monitor errors and corrections of files.	7/31/2021		In Progress	BP	
FY 19-20	10/30/20	Audit of Rent Calculation and Collection Processes at Public Housing Communities	Significant Deficiency	Finding 2 - Incorrect collection or application of security deposits	Recommendation Management should reemphasize to staff the importance of collecting deposits and verifying that they have been appropriately accounted for in the tenant ledger.	Monthly Quality control for Security deposit collection Reports has been occurring since July 2020 for Property manager review. Move Out SOP is being updated and training is scheduled for February 2021.	2/28/2021	6/30/2021	In Progress	BP	

STATUS OF MANAGEMENT CORRECTIVE ACTION ITEMS as of 5/6/2021

Audit Plan Year	Final Report Date	Audit Title	Finding Type	Finding Number and Title	Finding / Condition Description and Recommendation	Management's Corrective Action Plan	Original Estimated Completion Date	Revised Estimated Completion Date	Status	Resp. Officer's Initials	Comments
FY 19-20	10/30/20	Audit of Rent Calculation and Collection Processes at Public Housing Communities	Significant Deficiency	Finding 3 - Incorrect Account Settlement in Elite	Recommendation Management should reemphasize to staff the importance of calculating prorated rent and verifying that they have been appropriately accounted for in the tenant ledger.	<i>Move Out SOP is being updated and training is scheduled for February 2021.</i>	2/28/2021	6/30/2021	In Progress	BP	
FY 19-20	10/30/20	Audit of Rent Calculation and Collection Processes at Public Housing Communities	Significant Deficiency	Finding 4 - Inconsistent move-out procedures	Recommendation Written procedures should be established specifically for the move-out process that is separate from the eviction process. The procedures should address the processing time required to close-out tenant accounts, collections process, EIV module notification, as well as standardize usage of entering information into Elite for tenant ledgers, tenant notes, and entity alerts.	<i>The Move Out SOP is being updated and training is scheduled for February 2021.</i>	2/28/2021	6/30/2021	In Progress	BP	
FY 19-20	10/30/20	Audit of Rent Calculation and Collection Processes at Public Housing Communities	Observation	Observation 1 - Electronic Documentation in Shared Google Drive.	Recommendation Tenant documents, to include forms and letters should be "backed up" or copied as a pdf to a shared Public Housing folder in the SAHA Google shared drive. This prevents the need to obtain the physical file when it is not possible, and allows for any SAHA staff person to access this document in the future if the creator of the document is no longer a SAHA employee.	<i>Management is not currently expecting to move to a digital file system. Move Out SOP is being updated and training is scheduled for February 2021</i>	2/28/2021	6/30/2021	In Progress	BP	
FY 19-20	10/30/20	Audit of Rent Calculation and Collection Processes at Public Housing Communities	Observation	Observation 2 - Inconsistent application of automated late fees	Recommendation Management may need to evaluate the current late fee policy or process to determine if any improvements can be made to reduce the delay in application of late fees.	<i>Currently, late fees are not being assessed due to COVID-19; however, during this time, staff will be re-evaluating the process for implementation by July 1, 2021, dependent on policy update cycle.</i>	7/1/2021		In Progress	BP	
FY 19-20	10/30/20	Audit of Public Housing Compliance	Significant Deficiency	Finding 5 - Possible unreported income	Recommendation Management should reemphasize to staff that the EIV System and/or resident-provided documents must be carefully reviewed and all income verified, to make sure rent amounts are calculated correctly and are based on the resident's entire income.	<i>Unreported Income SOP will be updated and implemented with training for staff by March 1, 2021.</i>	3/1/2021	6/30/2021	In Progress	BP	Unreported Income Worksheet created and rolled out to all PH staff in April 2021.
FY 19-20	10/30/20	Audit of Public Housing Compliance	Significant Deficiency	Finding 6- Security deposit issues	Recommendation Management should reemphasize to staff that a security deposit must be charged and collected.	<i>Monthly Quality Control for Security deposit collection Reports have been occurring since July 2020 for Property manager review. Move Out SOP is being updated and training is scheduled for February 2021.</i>	2/28/2021	6/30/2021	In Progress	BP	Repeated significant deficiency for FY2020-2021 Midyear PH Compliance Audit.
FY 19-20	10/30/20	Audit of Public Housing Compliance	Significant Deficiency	Finding 7 - Annual reexamination not processed prior to a unit transfer	Recommendation Management should reemphasize to staff to ensure annual reexaminations are conducted prior to a family moving to a new unit.	<i>Management will be reevaluating policies and procedures for annual reexaminations at transfers and implement new policy by July 1, 2021.</i>	7/1/2021		In Progress	BP	
FY 19-20	10/30/20	Audit of Public Housing Compliance	Significant Deficiency	Finding 8 - Incorrect prorated rent charged at move-in	Recommendation Management should reemphasize to staff the importance of charging the correct prorated rent in conformance with HUD regulations and SAHA policies and procedures.	<i>Prorated rent procedures will be added to Eligibility SOP and calculation to Adjusted Income Worksheet. Directive will be sent out to staff.</i>	12/31/2020	6/30/2021	In Progress	BP	
FY 19-20	10/30/20	Audit of Public Housing Compliance	Significant Deficiency	Finding 9 - Lack of adequate notification of a rent increase	Recommendation Management should reemphasize to staff the significance and the importance of complying with HUD and SAHA requirements.	<i>Management will issue a directive by November 1, 2020.</i>	11/1/2020	6/30/2021	In Progress	BP	Repeated significant deficiency for FY2020-2021 Midyear PH Compliance Audit.

STATUS OF MANAGEMENT CORRECTIVE ACTION ITEMS as of 5/6/2021

Audit Plan Year	Final Report Date	Audit Title	Finding Type	Finding Number and Title	Finding / Condition Description and Recommendation	Management's Corrective Action Plan	Original Estimated Completion Date	Revised Estimated Completion Date	Status	Resp. Officer's Initials	Comments
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Significant Deficiency	Finding 1 - Outstanding debt owed to SAHA	Recommendation Ensure every effort is made to recoup monies owed to SAHA to include reporting any bad debt to SAHA's third-party collection agency.	<i>Assisted Housing Programs has removed the policy to send bad debt to SAHA's third-party collection agency effective July 1, 2020. The change was made due to the concern that the collection reporting would have on the client's credit history. An applicant will not be housed in the future, as all debts will show and they must make arrangements before continuing in the process. Management is currently reviewing current AHP policies / procedures on recoupment of monies for bad debts owed, including performing collections within SAHA. The Public Housing Move Out SOP is being updated to include specific procedures and timeline for collections in order to provide reinforcement of collection policies and procedures for property managers to abide by in collecting debt. Staff training is scheduled for February 2021. Management has followed up with the appropriate property managers to send the monies to collections in PH, and with appropriate action (depending on whether for participant / owner) for AHP cases.</i>	2/28/2021	6/30/2021	In Progress	BP	6/30 date references Move out SOP est. completion date
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Significant Deficiency	Finding 2 - Court fees not charged on Public Housing tenant ledgers	Recommendation Ensure all charges to include judgments and or evictions are documented and applied consistently to each file.	<i>Monthly Quality Control for eviction reports will be run for Property manager review. Move Out SOP is being updated to include move out reason definitions and training is scheduled for February 2021.</i>	2/28/2021	6/30/2021	In Progress	BP	
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Significant Deficiency	Finding 3 - Terminations not entered into Enterprise Income Verification (EIV)	Recommendation Ensure this process is part of the termination/move out checklist and create a standard operating procedure to ensure terminations are entered into the EIV DOTM.	<i>A reminder will be issued to AHP and PH staff responsible for entering information into EIV. The AHP Terminations SOP will be updated to include the EIV reporting process. PH Move Out SOP being updated will include the EIV reporting process. Will establish a procedure to ensure EIV/PIC Analyst sends out email to Property Managers when submissions are complete to remind properties to enter termination into EIV. Property Manager will QC information entered. Move Out SOP is being updated and training is scheduled for February 2021.</i>	2/28/2021	6/30/2021	In Progress	BP	
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Internal Control Deficiency	Finding 4 - Termination report discrepancy	Recommendation Ensure management confirms all information in Elite is entered properly and any system generated reports reflect accurate information	<i>Move Out SOP is being updated to include move out reason definitions and training is scheduled for February 2021. A reminder will be issued to staff on termination reasons and reporting.</i>	2/28/2021	6/30/2021	In Progress	BP	
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Internal Control Deficiency	Finding 5 - Delay in reviewing files for termination	Recommendation Ensure staff and management are aware of the importance of sending files through the termination process in a timely manner. Include a time frame to specify how long both staff and management have to review the file prior to sending the file for review of termination	<i>A reminder will be issued to staff and a report for expired vouchers will be established to notify staff of when to move forward with termination. Move Out SOP is being updated to include move out reason definitions and training is scheduled for February 2021. The Move Out SOP will include clarification on timelines for Public Housing.</i>	2/28/2021	6/30/2021	In Progress	BP	
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Internal Control Deficiency	Finding 6 - Notice to Vacate and/or Final Notice to Vacate (FNTV)	Recommendation Ensure procedures are reviewed and reinforced with staff to ensure all required documents are maintained in the program file.	<i>Move Out SOP is being updated and will include timelines for Notice to Vacates. File Order SOP will be updated to clarify the process for termination / evicted files.</i>	7/1/2021		In Progress	BP	
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Internal Control Deficiency	Finding 7 - Missing documentation	Recommendation Ensure procedures are reviewed and reinforced with staff to ensure all required documents are maintained in the program file.	<i>Training will be issued to Assisted Housing Programs staff on termination checklist. AHP Terminations SOP will be updated to include processes for entering Elite notes, reviewing files for proper documentation, and completing the termination checklist. PH Move Out SOP will include and address the process for entering information into Elite and reviewing files for proper documentation. Reminders will be included in training for Public Housing staff and AHP staff.</i>	7/1/2021		In Progress	BP	
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Observation	Observation 1 - No abandonment policy	Recommendation Recommend adding steps to the PH Eviction SOP regarding when to use the abandonment policy vs court eviction proces	<i>Move Out SOP is being updated and will include Texas Property Law sections on handling Abandonment of units and related SAHA Policy.</i>	2/28/2021	6/30/2021	In Progress	BP	

STATUS OF MANAGEMENT CORRECTIVE ACTION ITEMS as of 5/6/2021

Audit Plan Year	Final Report Date	Audit Title	Finding Type	Finding Number and Title	Finding / Condition Description and Recommendation	Management's Corrective Action Plan	Original Estimated Completion Date	Revised Estimated Completion Date	Status	Resp. Officer's Initials	Comments
FY 19-20	12/18/20	Audit of Resident and Program Participant Termination Process in Federal Housing Programs	Observation	Observation 2 - Inconsistent use of Public Housing termination end date	Recommendation Ensure an SOP is created to assist staff in clarifying which date to use for the end of participation depending on situations for termination.	<i>Move Out SOP is being updated and will include effective dates and timelines.</i>	2/28/2021	6/30/2021	In Progress	BP	
Fiscal Year 2020-2021											
FY 20-21	4/9/21	Public Housing Midyear Modified Compliance Audit	Significant Deficiency	Finding 1- Incorrect security deposit charged and/or collected	Recommendation Management should reemphasize to staff that a security deposit must be collected in full, and applied to the ledger correctly.	<i>Revised reponse from Management, "Monthly Quality Control for Security deposit collection Reports have been occurring since July 2020 for Property manager review. Move Out SOP is being updated and training is scheduled for June 2021."</i>	6/30/2021		In Progress	BP	
FY 20-21	4/9/21	Public Housing Midyear Modified Compliance Audit	Significant Deficiency	Finding 2- Proper notice was not given of rent increase	Recommendation Management should reemphasize to staff the significance and importance of complying with HUD and SAHA requirements, and to ensure effective recertifications that contain an increase are a minimum of 30-days from the start of the next rental cycle to provide the required notice of increase.	<i>Management will issue a directive by June 30, 2021.</i>	6/30/2021		In Progress	BP	
FY 20-21	4/9/21	Public Housing Midyear Modified Compliance Audit	Observation	Observation2 - Annual reexamination not processed prior to a unit transfer	Recommendation Management should reemphasize to staff to ensure annual reexaminations are conducted prior to a family moving to a new unit. Policy may need to be updated to clearly indicate that "An interim certification must be completed after the transfer of a unit, if a certification was not completed within 120-days prior to the unit transfer effective date."	<i>Management will be reevaluating policies and procedures for annual reexaminations at transfers and implement new policy by July 1, 2021</i>	7/1/2021		In Progress	BP	
FY 20-21	4/9/21	Assisted Housing Programs Midyear Modified Compliance Audit	Significant Deficiency	Finding 1- Over or Under payment of Housing Assistance Payment (HAP), Utility Reimbursement (UAP), and Administrative Fees for Port-Out	Recommendation AHP management should reemphasize to staff to verify the correct number of days for prorated amounts, and develop a monitoring process to ensure reimbursement of underpayment of subsidy or recovering of overpaid amounts are made in a timely manner.	<i>Rent Calculation training is scheduled for October 2021 and will stress the importance of verifying the correct number of days for prorated amounts. Management will continue to review internal audit activities to ensure areas of concern are reviewed during monthly audits. Management will also continue to QC new hires at 100%.</i>	10/31/2021		In Progress	BP	
FY 20-21	4/9/21	Assisted Housing Programs Midyear Modified Compliance Audit	Significant Deficiency	Finding 2 - New executed HAP contract and certification processing errors	Recommendation Management should ensure that staff are provided continuing guidance on processing new contracts with emphasis on HAP contract effective dates, and guidance for interim certifications that emphasizes staff only change the item being reported. Lastly encourage staff to make an effort to ensure that the correct move out or move in date or effective date of certification is applied, to prevent from miscalculating prorated HAP or UAP.	<i>Management will continue to QC new hires 100% until they reach an average of 85% accuracy, for 90 consecutive days. Management will also review training material related to interims and identify areas for improvement when training new hires.</i>	12/31/2021		In Progress	BP	