

LOCATION: PER CA EXECUTIVE ORDER N-25-20, THIS MEETING WILL BE HELD BY TELECONFERENCE. PUBLIC MAY PARTICIPATE WITH THE SAME LINKS:

<https://global.gotomeeting.com/join/541234717>

You can also dial in using your phone: (408) 650-3123

Access Code: 541-234-717

TIME: 12:00 P.M.

12:00 PM	REGULAR MEETING	TELECONFERENCE
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CALL TO ORDER: Chairman Jay C. Beck

ROLL CALL: Commissioners Beck, Boyer, Crotser, Gillett, Odenthal, Souza, Steinberg

PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA (not to exceed 15 minutes total)
The Board welcomes your input. You may address the Board by completing a speaker slip and giving it to the staff clerk prior to the meeting. At this time, you may address the Board on items that are not on the agenda. Time limit is three minutes. State law does not allow the Board to discuss or take action on issues not on the agenda, except that members of the Board or staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights (Gov. Code Sec. 54954.2). Staff may be asked to follow up on such items.

EXECUTIVE DIRECTOR REPORT
The Executive Director’s report is intended to brief the Commission on items, issues, key dates, etc., that do not require specific action, and are not “agendized” as separate items on the HASLO Commission Agenda.

CONSENT AGENDA
A member of the public or a Commissioner may request the Board to pull an item for discussion, clarification, and/or separate action. Pulled items shall be heard at the close of the Consent Agenda unless a majority of the Board chooses another time. The public may comment on any and all items on the Consent Agenda with the three-minute time limit.
All items on the Consent Agenda are adopted by one motion.
RECOMMENDED ACTION: Approve Consent Agenda Items as Presented

- C1. MINUTES OF THE BOARD OF COMMISSIONERS REGULAR MEETING OF AUGUST 20, 2020**
Approve the Minutes of the Regular Board of Commissioners Meeting of August 20, 2020.
- C2. HOUSING CHOICE VOUCHER (SECTION 8)**
- C3. PROPERTY MANAGEMENT REPORTS**
- C4. FAMILY SELF-SUFFICIENCY & RESIDENT SERVICES PROGRAM REPORT**
- C5. CONSTRUCTION AND DEVELOPMENT REPORT**

DISCUSSION ITEMS

1. **PAYMENT STANDARD** – Staff report is attached.

RECOMMENDED ACTION: Adopt Resolution No. 12 (2020 Series) Authorizing a Change in the Housing Authority of San Luis Obispo’s Payment Standard

2. **HASLO ANNUAL BUDGET (see attached)**

Ken Litzinger to present proposed annual budget for FY 2020.

RECOMMENDED ACTION: Adopt Resolution 13 (2020 Series) Adopting HASLO’s Annual Budget for the Fiscal Year October 1, 2020, through September 30, 2021.

RECOMMENDED ACTION: Adopt Resolution 14 (2020 Series) Approving Operating Budget and Certifications Listed on Form HUD-52574 Attached Project CAL 64-A Fiscal Year Ending September 30, 2021.

CLOSED SESSION

Closed session, pursuant to section 54956.8

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: APN 002-431-007

Agency Negotiators: Scott Smith, Executive Director
Ken Litzinger, Director of Finance

Negotiating Parties: The Housing Authority of the City of San Luis Obispo (HASLO)
955 Partnership (not present)

Under Negotiation: The Negotiators’ authority regarding the price.

ADJOURNMENT

The next Regular Meeting will be held on October 15, 2020, at 12:00 p.m. at 487 Leff Street, San Luis Obispo.

REQUIREMENTS OF THE BROWN ACT HAVE BEEN SATISFIED AS THIS NOTICE WAS POSTED AT 4:00 P.M. ON SEPTEMBER 11, 2020, PRIOR TO THE 72-HOUR NOTICING REQUIREMENT.



HASLO wishes to make all of its public meetings accessible to the public. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Executive Director’s Assistant at (805) 594-5321 at least 48 hours before the meeting, if possible.

**** DRAFT ****

MINUTES

HOUSING AUTHORITY OF THE CITY OF SAN LUIS OBISPO

August 20, 2020

CALL TO ORDER

The Regular Meeting of the Housing Authority of the City of San Luis Obispo was called to order on Thursday, August 20, at 12:03 p.m. by Chair Jay C. Beck. Per CA Executive Order N-25-20, the meeting was authorized to be held via teleconferencing and was made accessible to the public telephonically.

ROLL CALL

PRESENT: Commissioners Beck, Boyer, Gillett, Odenthal, Souza, Steinberg, Crotser

ABSENT: None

STAFF: Scott Smith, Ken Litzinger, Elaine Archer, Sandra Bourbon,
Michael Burke, Michelle Pedigo, and Vicky Connerley

PUBLIC COMMENT:

Jamie Coyle attended the meeting but had no comment.

EXECUTIVE DIRECTOR'S REPORT:

California eviction protections for renters will expire at the end of this month. There are two bills, one in the Assembly and the other in the Senate, to extend the rent protections and provide tax breaks for landlords. The Homeless Services Oversight Council is sending a letter to the County Board of Supervisors urging them to take whatever action they can at a local level. Commissioner Steinberg asked if the County had received money from the State of California. Executive Director Scott Smith said money had been received for rental assistance but the Board of Supervisors will prioritize expenditures. HASLO's rental assistance program, Section 8, incurred additional costs because of lost jobs and reduced hours. Last March Congress approved a supplement to Section 8 as part of the CARES Act. However, Housing Authorities have still not received and funding, or notification of how many additional funds might be provided.

Chairman Beck asked for any COVID updates. Smith reviewed several COVID-related policies and procedures that HASLO has in place. No employees have tested positive, but several clients have. Those clients are referred to the Public Health Department. HASLO has begun installing motion detector hand sanitizers in the office. HASLO recently hired a number of employees for Section 8. Their training and mentoring, while remaining socially distanced, is a challenge.

CONSENT AGENDA:

- C1. MINUTES OF THE BOARD OF COMMISSIONERS REGULAR MEETING OF JUNE 18, 2020**
- C2. HOUSING CHOICE VOUCHER (SECTION 8)**
- C3. PROPERTY MANAGEMENT REPORTS**

ACTION TAKEN: A motion to approve all Consent Agenda items was made by Commissioner Steinberg, seconded by Commissioner Crotser, and unanimously approved.

Chairman Beck asked if the commercial vacancies at the Anderson had been leased. Smith reported that one was leased, but not the larger unit, and another commercial tenant just gave notice.

DISCUSSION ITEMS:**1. PROJECT HOMEKEY**

Project Homekey is a funding program created by the State to provide housing for the homeless and those at-risk through the purchase of hotels/motels and converting them into permanent housing. The funding is intended to reduce Covid-19 risk amongst the homeless by creating shelter/housing options in non-congregate settings. Applications had a very short turnaround time and were due August 13. The Commissioners are being asked to confirm their support for this project.

A project was identified in Paso Robles. The City has been seeking to remove homeless encampments from riverbeds and creeks due to flooding and fire threats. A state new law mandates that homeless encampments cannot be removed unless there is a shelter available for them. HEAP (Homeless Emergency Aid Program) funding was going to be used to build a shelter in Paso Robles which would expand ECHO (El Camino Homeless Organization) from Atascadero to Paso Robles. When the shelter site fell through, Paso Robles offered an area for tent camping, but only three to five homeless took advantage of that program.

Collaborative partners with HASLO on the project are ECHO and Peoples' Self-Help Housing. If funded, the State would pay 100% of the purchase price through the grant. Additionally, the state will pay Section 8 type operating subsidies for the first two years of operations. The City Council and Mayor have provided letters of supports. The site is already properly zoned. There are no residential neighbors, and it is near services.

The state will make Homekey awards on a rolling basis from August through October. If funded, projects must acquire their properties and have at least 50% occupancy by the end of December 2020. 60% of the rooms would be used as permanent housing, and 40% would be used as "interim housing" by ECHO.

Commissioners and staff discussed ongoing funding of the project.

Chairman Beck thanked staff for their work. Due to the project meeting a significant need in the north county, the acquisition and operating funding provided by the state, and good collaboration with partner agencies, the Commissioners expressed strong support for this project.

The following resolutions were sent to the Commissioners via email prior to the meeting.

ACTION TAKEN: A motion to adopt **Resolution No. 10 (2020 Series) Authorizing Application to the Homekey Program** was made by Commissioner Beck, seconded by Commissioner Crotser, and unanimously approved on the following roll call vote:

AYES:	Commissioners Beck, Crotser, Steinberg, Boyer, Gillett, Odenthal, Souza
NOES:	None
ABSENT:	None
ABSTAINED:	None

ACTION TAKEN: A motion to adopt **Resolution No. 11 (2020 Series) Authorizing Negotiation of a Purchase Agreement of the Motel 6 located at 1134 Black Oak Drive, Paso Robles, California** was made by Commissioner Beck, seconded by Commissioner Crotser, and unanimously approved on the following roll call vote:

AYES: Commissioners Beck, Crotser, Steinberg, Boyer, Gillett, Odenthal, Souza
NOES: None
ABSENT: None
ABSTAINED: None

2. SECTION 8 CARES APPLICATION

The per client cost in Section 8 has increased due to client job losses and/or reduced work hours. The new COVID-era per client Section 8 rent cost is not sustainable, without eventually reducing the number of families served. As a result, HASLO has temporarily stopped issuing new vouchers, and communicated this to local agencies. HASLO has applied to HUD for additional HAP funding.

Chairman Beck said one of the reasons we build reserves is for the unusual times. He supports staff’s strategy and approach and has lots of confidence in the staff to manage the Section 8 program successfully over the next few years. The Chair said he is always impressed with staff’s ability to plan into the future.

1:00 P.M. Jamie Coyle, member of public, now absent.

1:15 P.M. Chair Beck announced that we were going into closed session.

1:15 P.M. Sandra Bourbon now absent.

CLOSED SESSION:

Closed session, pursuant to section 54956.8

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

- 1. Property: APNs 077-011-010 thru 077-011-013 (4 lots)
- Agency Negotiators: Scott Smith, Executive Director
Ken Litzinger, Director of Finance
- Negotiating Parties: The Housing Authority of the City of San Luis Obispo (HASLO)
Don Dechance (not present)
- Under Negotiation: (1) The Negotiators’ authority regarding the price; and
(2) The Negotiators’ authority regarding the terms of payment.

2. Property: APN 004-811-036
- Agency Negotiators: Scott Smith, Executive Director
Ken Litzinger, Director of Finance
- Negotiating Parties: The Housing Authority of the City of San Luis Obispo (HASLO)
Devin Gallagher (not present)
- Under Negotiation: (1) The Negotiators' authority regarding the price; and
(2) The Negotiators' authority regarding the terms of payment.

1:52 P.M. Chair Beck announced that the closed session had ended and we were back in regular session.

Regarding Closed Session Item 1, Chair Beck announced that the Commissioners directed staff to continue to negotiate with the owner for an extension of due diligence or reduction in payment until more information is obtained regarding the potential hydrocarbon concern. Soil borings and testing are occurring this week.

There was no action regarding Closed Session Item 2.

There being no further business, the meeting was adjourned at 1:55 p.m.

Respectfully submitted,

Scott Smith, Secretary

Executive Summary
Housing Choice Vouchers (“Section 8”)

- COVID-19 Related Actions:
 - We received confirmation of the additional HAP funding from the CARES Act – almost \$1m of additional funding will assist with fiscal year 2020 HAP related expenses
 - Additional staff have been hired in the section 8 department – to fill vacant staff positions and to add to staff in order to work with the PBV waiting lists and intake process. Training is proceeding carefully with social distancing and observance of appropriate protocols. Staff will be attending online training/certification class at the end of next month

- Waiting List Lease-up Activity:
 - Comparative success rates for the waiting list for the last 4 years is shown below. There are still 15 families from the 2018-Fall who are searching for housing.

Year	Lottery Size	Leased-up	% Leased	Rent-in-Place % of Leased-up
2015	500	133	26%	did not track
2017	250	97	38%	28%
2018	500	203	40%	30%
2018-Fall	250	71	28%	to be analyzed
2020	250	0	0%	on hold

- Average Housing Assistant Payment (HAP) Analysis –
 - The average HAP continues to hold steady at a higher rate since pre-COVID
 - There continues to be a slight increase in average family income, which is encouraging

- Mainstream Voucher Activity
 - We have leased-up all the mainstream vouchers. The new vouchers were a great success and we met the initial goal established by HUD (pre-COVID) of leasing up 75% of the vouchers by June 30th.
 - Due to in-progress applicants, we have leased up 80 vouchers in total – HUD monitors utilization in “unit-months”, not in the annual allotment of vouchers; we will monitor the total unit months leased in 2021 (next year) to ensure that we meet the goal established by HUD

- FUP Voucher Activity (Family Unification Program)
 - We continue to process applicants for this program
 - These vouchers are extremely expensive, with an average HAP of approximately \$1,500, almost double the average HAP for all other vouchers; we are working with HUD on identifying additional funding that can be provided for these vouchers

- Set-Aside Vouchers
 - There is a total of 22 applicants with a voucher who are searching for housing

- Net voucher Activity for the year is shown in the chart below.
 - We continue to see strong lease-up of new vouchers, with only a small decline in the month of August compared to previous months

50058 Listing
 All Vouchers (HCV, RAD&PBV, VASH, FUP, Mainstream)
 Rolling 12 Month Detail

Year	Month	New Leases	End of Participation	Net Change/ Month
2019	September	21	-24	-3
2019	October	129	-11	118
2019	November	57	-18	39
2019	December	12	-24	-12
2020	January	38	-18	20
2020	February	23	-14	9
2020	March	23	-25	-2
2020	April	31	-19	12
2020	May	42	-11	31
2020	June	32	-20	12
2020	July	32	-16	16
2020	August	25	-14	11
Totals for last 12 months		465	-214	251
<i>average change/month</i>		<i>39</i>	<i>-18</i>	
<i>annualized % turnover statistic</i>			<i>9.0%</i>	
<i>2019 ytd turnover %:</i>			<i>10.7%</i>	

- Distribution of Vouchers
 - The chart below shows the breakdown of unit type by program and breakdown of “regular vouchers” versus “special purpose vouchers”
 - HUD requires that we track special purpose vouchers– VASH, FUP and Mainstream
 - The average HAP/month for each voucher type is also reflected in the analysis showing that many of the special purpose vouchers do have lower costs, on average, due to the ability of our partners to make arrangements for shared housing

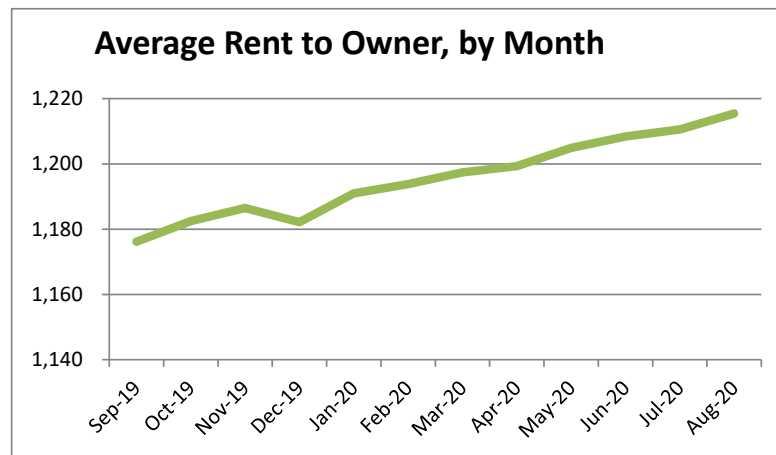
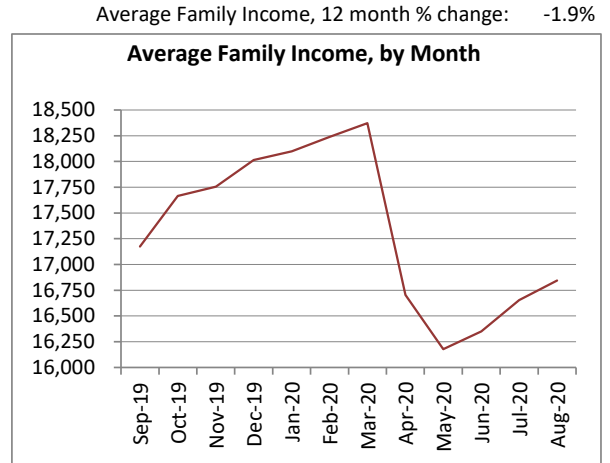
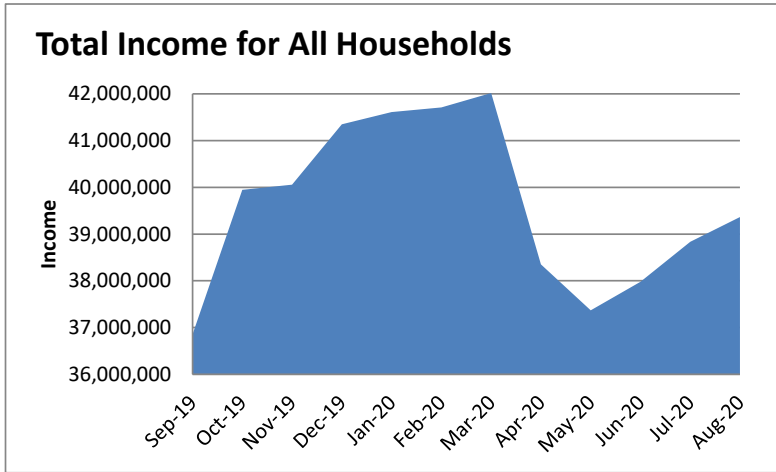
Vouchers, by Program Type
Trend Analysis Report
 as of 08/31/2020

	HUD Ctrct	TOTAL	# of Leased Participants, by voucher size						avg HAP	avg HAP	%
	Maximum		Leased	Studio	1 bd	2 bd	3 bd	4 bd	5 bd	Curr Mo	pre-COVID
HCV & TPV	1,738	1,710	9	1,059	403	201	34	4	\$875	\$814	7.5%
RAD	175	104	8	11	33	34	16	2	\$778	\$713	9.1%
PBV	308	300	22	100	84	82	12		\$816	\$760	7.4%
	2,221	2,114									
VASH	201	151		124	16	9	2		\$740	\$684	8.2%
PBV-VASH	25	24		22	2				\$714	\$726	-1.7%
FUP	38	26		1	14	10	1		\$1,463	\$1,182	23.8%
Mainstream	78	80	2	66	7	4	1		\$867	\$320	170.9%
	342	281									
	2,563	2,395	41	1,383	559	340	66	6	\$855	\$796	7.4%
<i>distribution by voucher size</i>			2%	58%	23%	14%	3%	0.3%			

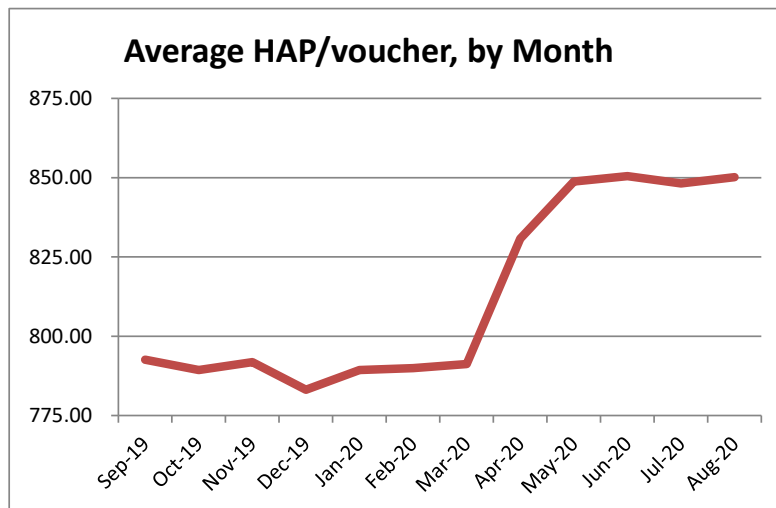
HASLO

Voucher Monthly Analysis (VMA)

Rolling 12 months

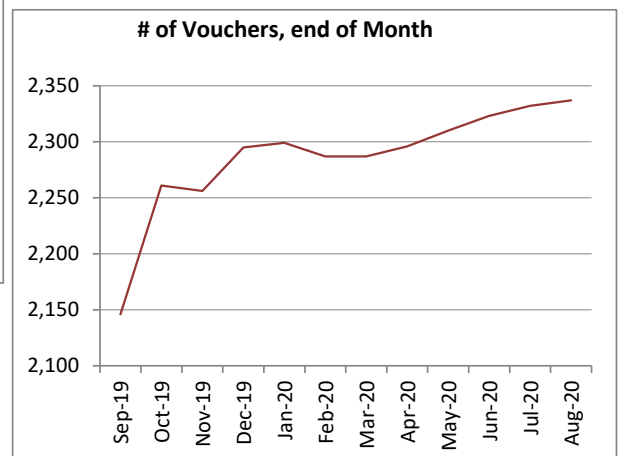


RTO, 12 month % change: 3.3%



Average HAP, 12 month % change: 7.3%

of HH members assisted: 4,441



SEMAP Indicators Report

As of August 31, 2020

Housing Authority: **CA064**
 Housing Authority FYE: **September 30**

Current SEMAP Indicator Information

Most Recent SEMAP Indicator Information

Reporting Rate as of August 31, 2020

Program Type	VMS Units Leased	As of MM/YY	Port-Outs	Port-Ins	Number of 50058s Required (#)	Number of 50058s Reported (#)	Reporting Rate (%)
All Vouchers	2360	07/20	28	20	2352	2365	100

Indicator 9: Annual Reexaminations

Note: For Indicators 9-12 and 14, HUD mandates for SEMAP a Reporting Rate of at least 95 percent by the PHA's fiscal year end. If this threshold is not met, the PHA will receive zero points for these four indicators.

Percent of Families with reexaminations overdue (%) (Percentage includes all reexaminations more than 2 months overdue. SEMAP scores: Under 5% = 10 points; 5% - 10% = 5 points; greater than 10% = 0 points. Percentages shown as red and bold result in reduced SEMAP scores.) **0**

Number of Families in Current Database	Number of Late Reexaminations
2452	9

[\[+\] Families with reexaminations overdue](#) (no details provided by HUD this month)

Indicator 10: Correct Tenant Rent Calculations

Percent of Families with incorrect rent calculation (%) (SEMAP scores zero points when more than 2 percent of the Housing Authority's tenant rent calculations are incorrect as indicated by percentages shown in red and bold.) **0**

Number of Families in Current Database	Number of Rent Discrepancies
1827	0

[\[+\] Families with incorrect rent calculation\(s\)](#)

Indicator 11: Precontract HQS Inspections

Percent of units that did pass HQS inspection before the beginning date of the assisted lease and HAP contract (%) (SEMAP scores zero points when fewer than 98 percent of newly leased units pass the HQS inspection before the beginning of the lease/HAP as indicated by percentages as shown in red and bold.) **100**

Number of Families in Current Database	Number of Inspections On or Before Effective Date
590	588

[\[+\] Families where HQS inspection did not pass before lease & HAP contract](#) (no details provided by HUD)

**Indicator 12:
Annual HQS Inspections**

Percent of units under contract where annual HQS inspection is overdue (%). (Percentage includes all HQS Inspections more than 2 months overdue. SEMAP scores: Under 5% = 10 points; 5% - 10% = 5 points; greater than 10% = 0 points. %'s shown as red and bold result in reduced SEMAP scores.) **2**

Number of Families in Current Database	Number of Late Inspections
2013	37

[+] Families with annual HQS inspections overdue (no details provided by HUD this month)

**Indicator 13:
Lease-Up**

Note: This data is not currently available.

**Indicator 14:
Family Self-Sufficiency Enrollment**

Enrolled	Escrow Balance	Points
80% or more	30% or more	10
60%-79%	30% or more	8
80% or more	Less than 30%	5
Less than 60%	30% or more	5
60%-79%	Less than 30%	3
Less than 60%	Less than 30%	0

Percentages shown in red and bold result in reduced SEMAP scores.

Number of Mandatory Slots (#)*	Number of Families Enrolled (#)	Percent of Families Enrolled (%)	Number of Families with Progress Report and Escrow Balances (#)	Percent of Families with Progress Report and Escrow Balances (%)
0	0	0	0	0

[+] Families enrolled in Voucher FSS Program

[+] Families completing FSS Contract

* - As reported by the PHA in Indicator 14 (a) from the last SEMAP Certification and confirmed by the Field Office. This number may have decreased as families have graduated from the program. Also data may not include approved exceptions to mandatory slots.

Executive Summary
Property & Asset Management

- Key Priorities for the Property Management team continue to be:
 - COVID-19 Related Activities:
 - ✓ We continue to analyze the restrictions by local, state and federal governments on eviction prevention laws, including AB3088 and the guidance issued by the CDC
 - ✓ Security Deposit repayment plans for SLO Villages tenants continue to be placed on hold
 - Deferral of rents for COVID related reasons is \$11,568
 - ✓ Overall, the rent deferral is less than 3% of total rental income for all of the properties under management (non-section 8 properties)
 - ✓ Only 8 tenants are remaining with a COVID-deferral and 3 of those have been selected in the lottery for a voucher.
 - ✓ 23 tenants in total had requested a COVID-deferral for one or more months
 - Vacancies
 - ✓ There was a significant decline in vacancy loss as units were filled this month
 - ✓ Appropriate procedures are being followed to ensure social distancing is maintained
 - ✓ An interview space has been created in the lobby, with plexiglass dividers to facilitate applicant interviews
 - Courtyard at the Meadows and Halcyon Collective Lease-up Activities
 - ✓ Courtyard at the Meadows –
 - New tenants will now move in at the end of September for 2 buildings
 - applicants have been identified for most of the units in the first phase and back-up candidates are being identified
 - holding deposits are being accepted from confirmed applicants
 - ✓ Halcyon Collective –
 - All of the units have been rented and the tenants have moved in!
 - Maintenance
 - ✓ Annual physical inspections continue to be on hold during covid-19 restrictions
 - ✓ Emergency work orders are being addressed
 - ✓ The team that works on turning over vacant units is also focusing on the vacant public housing units so that they are in good condition to be used for temporary relocation purposes during RAD

- RAD
 - ✓ Weekly planning meetings are held for the project, focusing on areas such as:
 - The temporary relocation schedule has been mapped out for the two year project.
 - We are working with ASAP, the contracted movers for the project to ensure that we have a commitment for services, even if there are changes in the schedule.
 - ✓ The construction schedule has been modified to accelerate the work on two of the properties that do not have any 5-bedroom unit conversions or significant ADA modifications
 - ✓ In order to accommodate the change in schedule, units are being rented in SLO on behalf of tenants that require a temporary unit while their unit/property is being renovated

- Community and Family Support
 - ✓ Property Management Staff continue to work one-on-one with residents that need additional help with issues such as housekeeping and compliance with the lease
 - ✓ Community rooms have been closed in compliance with the COVID-19 requirements

September 7, 2020

To: HASLO Board of Commissioners
 From: Sandra Bourbon-Director of Resident Services
 Re: August 2020

FSS:

Continued outreach, case management and annual assessments. The below chart is as of 08-31-2020.

	Sandra	Traci	TOTAL
Active	36	31	67
New contracts added this month	0	1	1
Graduates this grant period	4	3	7
Terminated for Non-Compliance / Contract Expired / Voluntary Withdrawal within this grant period	1	0	1
Active participants who have ported out this grant period	0	0	0
Increase in Earned Income this month	142,668	189,532	322,200
Increase in Tenant Payment (TTP) this month	2,967	3,028	5,995
Total Escrow Accounts	25	19	44
New Escrow Accounts this grant period	2	4	6
Percentage of participants with an Escrow Account this month	69%	61%	66%
Total Escrow Account balance	138,370	125,737	264,107
Total interim withdrawals paid within this grant period	0	0	0
Total of Escrow Account funds paid out to FSS Graduates for this grant period	44,919	67,766	112,685

*FSS graduates: 2/29/2020 (sb) \$16,009.51 - 3/31/2020 (sb) \$940.15 – 3/31/2020 (tw) \$1,811.71-5/31/2020 (tw) \$33,264.34-6/30/2020 (tw) \$32,689.61-6/30/2020 (sb) \$25,294 – 7/31/2020 (sb) \$2,677

*FSS terminations: 7/31/2020 (sb) \$850 forfeited/contract expired

SERVICES:

We recently had to say good bye to our long term Federal Work Study and summer contract employee, Samantha. She is now pursuing her teaching credential. She will be greatly missed and a challenge to replace.

We are in the process of recruiting and interviewing for a Resident Services Assistant to replace the vacancy from earlier this year.

Resident Services staff continues to work a combination of remotely and in the office. We are working with the Food Bank to deliver fresh produce and some nonperishables to any of our households who would like it. We are currently packing individual bags and delivering to our residents.

We continue to reach out to residents by phone and email at all of our properties. We are “checking in” with them as well as making sure they are aware and connected to community resources.

Remote Learning Center activities and homework help continue to be available. Lesson plans include educational activities, games and crafts. We have most recently added SLO Villages and Halcyon Collective.

Resident Services continues to work with Property Management in the Tenant Selection Process for all vacancies.

Family Self Sufficiency Newsletter

Family Self-Sufficiency (FSS) Program

Coordinating Committee (PCC) Members:

- Sandra Bourbon**
Director of Resident Services
- Traci Walker**
Resident Services Coordinator
- Katie Arras**
Resident Services Assistant
- Patricia Souza**
HASLO Commissioner Representative
- Dr. Steven Kane**
Cal Poly State University, SLO
- Sheri Wilson**
CAPSLO—CCRC
- Danielle Luna**
US Bank
- Jennifer Kirn**
Cuesta College
- Angela Smith**
Stand Strong of SLO County
- Claudia Guzman**
RISE
- Allison Schiavo**
Eckerd Connects
- Denise Martinez**
Resident Member-FSS Graduate
- Corrina Stolp**
Cuesta College—CaFE

Welcome New FSS Participants

Angela G. Nicole M. James G.

Words of Wisdom

“It is never too late to achieve your goals. If there is a will, there is a way!”

- A. Loreto

Congratulations FSS

Graduates:

- Crystal O.*
\$25,200 - Student Aid
- Maria C.*
\$2,600 - Commercial Loan Processor
- Tamara G.*
\$32,600 - Pharmacy Cashier

CALIFORNIA TENANT PROTECTION ACT

The California Tenant Protection Act of 2019, AB 1482, is effective January 1, 2020, through January 1, 2030. The law requires a landlord to have a “just cause” in order to terminate a tenancy. It limits annual rent increases to no more than 5% + local CPI (CPI = inflation rate), or 10% whichever is lower. Not all landlords and properties are covered by this new law. Some units are exempt from these regulations. To learn more and to help determine if your rental is covered by the California Tenant Protection Act, AB 1482, please visit: <https://tenantprotections.org/>

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Visit us at <https://www.haslo.org/>

Credit Reports: Did You Know?



The "big three" credit reporting agencies--Equifax, Experian and TransUnion--are now giving consumers access to free *weekly* online credit reports through April 2021. (The free reports used to be available only once per year.) Taking this opportunity to stay on top of ever-evolving credit reports can help you to effectively manage your personal finances, since doing so allows you to monitor your credit and payment history--information that lenders and creditors consult when reviewing your applications for loans and other forms of credit. Visit AnnualCreditReport.com to access copies of your reports. Be careful when answering the authentication questions, however--if you choose an inaccurate response, you will have to request your reports by snail mail.

<https://consumer-action.org/>

Wilshire Health & Community Services: Wisdom From The Porch Podcast



A Podcast About Life and Aging

Wisdom from the Porch, is a podcast designed to provide an opportunity to explore healthy aging and life-style choices available to older adults and their families. Wisdom from the Porch is brought to you by Wilshire Health & Community Services in San Luis Obispo, California, where they help people live a better life through services like hospice, home health, conflict resolution & in-home social-emotional support. Wisdom From the Porch is a whole family response intended to involve body, mind and spirit. As we age, choice is vital. Emotions and change can become overwhelming, so begin looking and listening well before you are thrust into it and certainly before you lose your ability to make your own choices. Their goal for our broadcast is for you to feel comfortable and safe in body, mind and spirit, stay involved in life and you, and only you, create your new reality.

Link to the podcast below, or search Wisdom from the Porch on your phone or tablet podcast app.

<https://www.wilshirehcs.org/wisdomfromtheporch/>

Parent Connection of SLO



Parent Connect of San Luis Obispo's parent education programs focus on enhancing parenting practices and behaviors, such as developing and practicing positive discipline techniques, learning age-appropriate child development skills and milestones, promoting positive play and interaction between parents and children, and locating and accessing community services and supports. Visit <https://sloparents.org/classes/> to learn more about classes and services provided.

Looking for other resources? Not sure who to call? Please remember you can call the Parent Connection information line at [805-543-3700](tel:805-543-3700) and they'll help connect you with their wide network of community resources, from drug & alcohol services, mental health, & others.

<https://sloparents.org/>

40 Positive Things to Say to Your Child



1. I'm grateful for you.
2. I'm proud of you.
3. You have awesome ideas.
4. I love being your mom/dad.
5. You are loved.
6. You are important.
7. I believe in you.
8. You did a great job!
9. You were right.
10. I know you did your best.
11. You are helpful.
12. You are creative.
13. You make me happy!
14. I love spending time with you.
15. I love being around you.
16. You made the right choice.
17. You're awesome at that!
18. I appreciate you.
19. Being your mom/dad is my greatest job.
20. I love learning from you.
21. You are so great at that.
22. Thank you for being you.
23. You are smart.
24. You're a great son/daughter.
25. You are special.
26. You make my heart full.
27. I love listening to your stories.
28. I forgive you.
29. I understand why you did that.
30. I'm glad you tried that.
31. I trust you.
32. You make me smile.
33. Thanks for working so hard.
34. You give the best hugs.
35. That was such a kind thing to do.
36. I know you can do it.
37. You tried your best.
38. Thanks for working so hard.
39. You are capable of great things.
40. Our family wouldn't be the same without you.

<https://www.happygoluckyblog.com/>

FDIC's Money Smart Program...For Ages 13 & Up!

FDIC's Money Smart Computer-Based Instruction provides free financial education for young adults and adults. The Money Smart Computer-Based Instruction consists of free, interactive modules that offer instruction to help people make informed financial decisions and take charge of their finances. Available for anyone, designed specifically for two age groups: Young Adults (students between the ages of 13 and 21) and Adults (students over 21 years old). This program is also available in Spanish. Please visit the below link to register and to learn more.

<https://moneysmartcbi.fdic.gov/>

For more financial educational material available for download or print, please visit <https://www.fdic.gov/consumers/consumer/moneysmart/young.html>



SLO County Alternatives for Non - Crisis Situations

Wondering who you can call when you don't need the police, fire, or ambulance to show up? Check out TMHA's list of alternatives to dialing 9-1-1 for non-emergency calls.



Substance Abuse

SLO Drug and Alcohol Services Center: **805-781-4275**

SAMHSA National Helpline: **800-662-4357**

Mental Health Crisis Lines

SLO Hotline: **805-783-0607**

National Suicide Prevention Hotline: **800-273-8255**

Crisis Text Line: **Text HOME to 741741**

California Peer-Run Warmline: **855-845-7415**

LGBTQ+ Crisis Line

Trans Lifeline: **877-565-8860**

Trevor Project Lifeline: **866-488-7386**

Trevor Project Text Line: **Text START to 678-678**

Domestic/Intimate Partner Violence Hotlines

Stand Strong: **805-781-6401**

RISE: **805-226-5400**

CA Coalition Against Sexual Assault: **661-327-1091**

National Domestic Violent Hotline: **800-799-7233**

For a complete list of SLO County contact alternatives, please visit: <https://www.t-mha.org/crisis-and-referral-details.php?id=7>

Free Financial Wellness Seminars San Diego County Credit Union



As San Diego's largest locally-owned financial institution, and a Live Well San Diego partner, SDCCU is committed to helping the community make educated financial decisions by delivering the BEST financial education, products and services.

SDCCU is proud to host Financial Wellness Wednesdays. Join us for **free** seminars presented by SDCCU representatives on the following topics and more:

Date	Time	Topic	Location
9/23/20	12:00pm-1:00pm	College Financing 101	Please register for College Financing 101 at: https://attendee.gotowebinar.com/register/6524773987758451214 After registering, you will receive a confirmation email containing information about joining the webinar. Email community@sdccu.com with questions.
9/30/20	12:00pm-1:00pm	Auto Buying Basics	Please register for Auto Buying Basics at: https://attendee.gotowebinar.com/register/7766487653378115854 After registering, you will receive a confirmation email containing information about joining the webinar. Email community@sdccu.com with questions.

For additional class offerings and information, please visit: <https://www.sdccu.com/about/community/financial-wellness-wednesdays/>

Protect Your Finances



Scammers try to con people out of their money, especially during times of stress, fear, and uncertainty – like right now during the coronavirus pandemic. They try all sorts of things to take advantage of people. For example, fraudsters might come up with a fake charity and ask for donations or try to sell you a phony cure or treatment for COVID-19. They might even contact you pretending to be from a government agency. Here are 3 things you can do to help keep your money safe:

1. Don't share Social Security or Medicare ID numbers, financial information, or other personal information with someone you don't know who contacts you in person or by phone, text message, social media message, or email.
2. Always double check the identity of someone who wants payment by wire transfer, gift cards or a mobile payment app.
3. Know that the government will not call, text, or contact you on social media to say you owe money or try to threaten or intimidate you into giving up your personal information.

Help spread the word and keep those you care about from falling for a scam, regardless of their age or health status. If you spot a scam, report it to the FTC at [ftc.gov/complaint](https://www.ftc.gov/complaint).

For more information on how to protect and manage your finances during the national coronavirus emergency, visit consumerfinance.gov/coronavirus.

https://www.consumerfinance.gov/coronavirus/avoiding-scams/beware-fraud-scams/?utm_source=newsletter&utm_medium=email&utm_campaign=wc&utm_term=July720

Explore SESLOC's Online Education Center



SESLOC has partnered with EVERFi, an online financial education platform, to provide unbiased and practical information on a variety of topics for all knowledge levels and life stages. Featured courses include:

Emergency Savings: Do you have enough in savings in case you lose your job or have a minor emergency? Explore how much is recommended you maintain in an emergency fund.

Considering Home Ownership?: Explore the benefits of home ownership and the costs associated with a mortgage and owning a home.

Credit Scores and Reports: Learn about the importance of your credit score, the factors that impact it and ways to protect your credit score.

Retirement 101: Explore how much money you will need to save for retirement and investment options that will help you meet your retirement savings goals.

Family Conversations About Money: Learn about topics, strategies, and best practices for having family conversations about money.

To begin your free online financial education course or to learn more, please visit

<https://www.sesloc.org/member-resources/education-center>



Pumpkin Spice Latte Recipe

Ingredients:

1 cup milk
2 tablespoons pure pumpkin puree
1 tablespoon sugar
1/4 teaspoon pumpkin pie spice, plus more for sprinkling
1/4 teaspoon pure vanilla extract
1/4 cup hot espresso or strong brewed coffee
Sweetened whipped cream, for serving



Directions:

- Combine the milk, pumpkin puree, sugar, pumpkin pie spice and vanilla in a medium microwave safe bowl, cover the bowl with plastic wrap and vent with a small hole. Microwave until the milk is hot, 1 to 2 minutes. Whisk vigorously until the milk mixture is foamy, about 30 seconds.
- Pour the espresso or coffee into a large mug and add the foamed milk. Top with whipped cream and a sprinkle of pumpkin pie spice.

<https://www.foodnetwork.com/recipes/food-network-kitchen/pumpkin-spice-latte-3363265>

If you are a current FSS Participant or Graduate, we invite you to join us to participate and attend our quarterly Program Committee (PCC) meetings.

Please call Sandra Bourbon at (805)594-5315 or email sbourbon@haslo.org for more information.

“The greatest weapon against stress is our ability to choose one thought over another.”

- William James

Visit us on the Web!

<https://www.haslo.org/>



Development Update



Date of Update	9/9/2020	
DEVELOPMENT		
PROJECT	ACTION	NOTES/GOALS
Cleaver Site, Grover	RFP Response	Partnership with PSH for 40 units of affordable housing Proposal submitted to City of Grover Beach
224 S. Halcyon	Placed In Service	Tenants are moving in, working on placed in service package and converting to perm.
RAD Conversion	Construction	Upham, Olive Branch, Highland, Puerta Del Sol Apartments, Southwood and Haris are complete. 478 High, Toro Gardens, Royal Way and Arbor Place are under construction.
The Courtyard	Construction	Partial occupancy granted on 8/31/20. Tenants will be moving in by the end of September.
Tosceno Site	Financing	Contingency will be exhausted, requiring additional funds from outside sources or developer fee
Office	Site control	Deeded to HASLO
	Entitlements	Received ARC approval on 6/15, Planning Commission scheduled for 9/9/20
Nipomo Senior 40	Entitlements	Received Planning Commission approval on 6/10/20
	Strategy	Co-development with HACSB and related party GC 40 units of senior housing
2655 Shell Beach Road	Financing	Going through the readiness process, preparing for construction 12/2020
	Acquisition	Purchase agreement has a sunset for entitlements by 10/31/20.
	Strategy	20+ units of senior housing, co-developing with Pacific Development Group
405 Atascadero Road	Entitlements	Planning Commission scheduled for 10/13/20
	Financing	TCAC 9% application planned for 3/21
	Entitlements	Obtained Planning Commission approval on 6/2/20. Project was appealed and the appeal is scheduled for 7/17/20 Working with Tribes to determine appropriate mitigation measures
736 Orcutt Road	Strategy	35 units of large family housing, co-developing with Jim Rendler
	Financing	TCAC 9% application was not selected for credits. Planning on submitting 3/21
	Strategy	30+ units of special needs housing, built around the old house
2690 Victoria	Entitlements	Pre-conceptual package discussed with City
	Financing	TCAC application planned for 3/21
	Strategy	30+ units of large family mixed use housing on the former maintenance yard site
700 N. Oak Park	Entitlements	Responding to ARC comments, planning to resubmit to ARC asap.
	Financing	TCAC large family application planned for 3/21
	Strategy	60+ units of large family mixed use housing, Donald DeChance Owner
279 Bridge Street	Site acquisition	Passed first DD milestone, onto the second DD Milestone
	Financing	TCAC large family application
	Strategy	100+ units of large family/senior mixed use housing, Devin Gallagher Owner
	Site acquisition	Obtained preliminary City feedback as part of DD, workign towards obtaining soils data prior to first DD milestone.
	Financing	Phased TCAC applications



Halcyon Collective

Executive Summary
2021 Payment Standards

- HUD publishes Fair Market Rents on an annual basis – generally the information is released in late August, in order to give a 30-day notice and comment period prior to the effective date of October 1st
- The FMR's showed a modest change of +/- 1% for all unit sizes
- This is a significant change from the previous years' where the FMR increased by 7-8% annually
- HUD requires that the payment standard be established in a range of 90-110% of FMR's, with supporting analysis to ensure that applicants can find housing with the approved payment standard and that existing participants are not significantly rent-burdened if the payment standards are set low, relative to FMR's
- The minimum requirement for HASLO for the 2021 FMR's is to reduce the payment standard for the 4+ bedroom units where there was a modest decrease in the FMR, and where our payment standard had previously been set at 110% of FMR
- Therefore, a modest decrease of \$40 for the 4-bedroom payment standard is being proposed for review and adoption by the Board
- Under the HOTMA Act of 2016, an additional option was provided for PHA's to avoid decreasing the payment standard for participants with an existing HAP contract. HASLO has adopted the regulation in the Admin Plan; therefore, this reduction in payment standard will only affect new contracts.
- The 4-5 bedroom voucher holders were reviewed and only 8 out of the 42 participants with a 4-5 bedroom voucher would have been affected by the decrease in the payment standard. There are many long-term 4-bedroom HAP contracts that have contract rents that are lower than the payment standard.

HASLO Payment Standards

(Effective 1/1/2021)

NOTE: Payment Standard includes BOTH Rent to Owner and Utility Allowance

	<u>Rent to Owner</u>	<u>+UA</u>	<u>Payment Standard</u>
0 – Studio	\$980-1100 (est. range)	\$0-120 (varies)	\$1,100
1 – Bedroom	\$1135-1300 (est. range)	\$0-165 (varies)	\$1,300
2 – Bedrooms	\$1500-1700 (est. range)	\$0-200 (varies)	\$1,700
3 – Bedrooms	\$2050-2300 (est. range)	\$0-250 (varies)	\$2,300
4 – Bedrooms	\$2885-3160 (est. range)	\$0-275 (varies)	\$3,160

NOTE: The exact amount of utility allowance (UA) will depend on which utilities the tenant pays for directly – gas, electricity, water, sewer and/or trash.

The payment standard (PS) **includes** the utilities paid directly by the tenant. The rent on the tenant’s lease (rent to owner) plus the tenant-paid utilities is compared to the payment standard when determining rent reasonableness.

HUD Final Fiscal year (FY) Fair Market Rents (FMR’s) by Unit Bedrooms

	<u>Studio</u>	<u>1-Bedroom</u>	<u>2-Bedrooms</u>	<u>3-Bedrooms</u>	<u>4-Bedrooms</u>
Final FY2020 FMR (effective 10/1/2019)	\$1,153	\$1,275	\$1,657	\$2,390	\$2,909
Final FY2021 FMR (effective 10/1/2020)	\$1,166	\$1,263	\$1,665	\$2,383	\$2,877

* The FMRs for unit sizes larger than 4-bds are calculated by adding 15% for each additional bed to the 4-bd FMR.

RESOLUTION NO. 12 (2020 SERIES)

RESOLUTION AUTHORIZING A CHANGE IN THE HOUSING AUTHORITY OF SAN LUIS OBISPO'S PAYMENT STANDARD

WHEREAS, the Board of Commissioners is required to adopt a Payment Standard Schedule at least annually after Housing and Urban Development (HUD) publishes the Fair Market Standards for the next year; and

WHEREAS, the Fair Market Rent (FMR)'s effective October 1, 2020, have been published by HUD and reflected minor changes compared to the prior year; and

WHEREAS, the payment standards must be established within a range of 90-110% of Fair Market Rents (FMR's) for San Luis Obispo County; and

WHEREAS, a PHA has up to three months from the date when the new FMRs are published and go into effect in which to update its payment standards if a change is necessary to fall within the basic range of the new FMRs; and

WHEREAS, the Housing Opportunity Through Modernization Act of 2016 (HOTMA) amended the United States Housing Act of 1937 to provide that no PHA is required to reduce a family's payment standard based on a reduction in the FMR.

NOW, THEREFORE, BE IT RESOLVED the Board of Commissioners authorizes a decrease in the payment standard for 4+ bedrooms to be in compliant with the federal regulations for new contracts only; and

BE IT FURTHER RESOLVED, that the Board of Commissioners authorizes the resulting payment standard schedule, effective January 1, 2021 for all renewing and annual reexaminations and effective January 1, 2021 for all new housing contracts:

Studio	\$1,100.00
One bedroom	\$1,300.00
Two bedroom	\$1,700.00
Three bedroom	\$2,300.00
Four bedroom	\$3,160.00

On motion of Commissioner _____, seconded by Commissioner _____, and on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

The foregoing Resolution was duly adopted and passed this 17th day of September, 2020.

JAY C. BECK, CHAIRMAN

SEAL:

ATTESTS:

SCOTT SMITH, SECRETARY

***HOUSING AUTHORITY
OF THE CITY OF SAN LUIS OBISPO***

*Proposed Agency Wide Budget
Fiscal Year End 9/30/2021*



Housing Authority of the City of San Luis Obispo
Agency Wide Operating Budget
Fiscal Year End 9/30/2021

	VOUCHER PROGRAM				ANDERSON HOTEL				LOCAL AUTHORITY				LAW APARTMENTS				TOTAL AGENCY BUDGET
	6/30/2020	6/30/2020	FYE 2020	FYE 2021	6/30/2020	6/30/2020	FYE 2020	FYE 2021	6/30/2020	6/30/2020	FYE 2020	FYE 2021	6/30/2020	6/30/2020	FYE 2020	FYE 2021	
	Actuals	Budget	Budget	Budget	Actuals	Budget	Budget	Budget	Actuals	Budget	Budget	Budget	Actuals	Budget	Budget	Budget	
INCOME																	
Net Tenant Income	-	-	-	-	910,921	932,468	1,243,291	1,242,939	547,819	518,730	691,640	733,364	71,946	75,872	101,162	97,541	2,073,844
Grant Income	18,021,138	16,309,330	21,908,318	24,706,040	-	750	1,000	1,000	87,674	122,089	162,785	205,765	-	-	-	-	24,912,805
Admin Fee & Other Income	1,849,881	1,661,273	2,222,832	2,538,082	-	-	-	-	-	-	-	-	-	-	-	-	2,538,082
Other Income	24,478	41,749	55,665	40,360	188	135	180	36	3,258,611	3,522,812	4,697,083	4,304,339	244	522	696	372	4,345,107
TOTAL INCOME	19,895,498	18,012,351	24,186,815	27,284,482	911,109	933,353	1,244,471	1,243,975	3,894,104	4,163,631	5,551,508	5,243,468	72,191	76,394	101,858	97,913	33,869,837
EXPENSES																	
Administrative Salaries	1,266,338	1,416,157	1,841,005	2,209,641	89,033	64,782	84,261	70,025	848,758	909,560	1,182,428	1,323,616	23,813	25,232	32,809	35,864	3,639,146
Other Admin Expenses	40,931	35,135	40,928	46,862	503,163	531,822	709,096	746,810	45,618	82,328	109,770	92,095	9,659	9,889	13,186	13,698	899,465
Miscellaneous Admin Expenses	210,009	151,020	198,297	265,790	16,262	13,971	18,628	26,936	29,882	32,475	43,300	41,040	2,347	2,304	3,072	3,456	337,222
Total Administrative Expenses	1,517,277	1,602,312	2,080,230	2,522,293	608,458	610,575	811,986	843,771	924,257	1,024,363	1,335,498	1,456,751	35,819	37,425	49,066	53,018	4,875,833
Tenant Services Expense	105,912	117,005	41,781	150,996	3,605	6,220	8,187	5,344	27,439	37,816	49,185	30,260	162	350	456	384	186,984
Utility Expense	7,564	-	-	-	107,008	117,285	156,380	158,239	15,845	8,751	11,668	20,841	14,319	15,759	21,012	21,480	200,560
Maintenance And Operations																	
General Maint Expense	4,824	4,751	4,824	6,430	64,411	60,709	79,017	85,150	519,643	398,672	518,315	649,570	12,369	22,707	29,533	10,316	751,466
Materials	548	401	548	735	9,905	10,734	14,312	18,968	7,687	17,220	22,960	18,395	2,008	4,275	5,700	4,212	42,310
Contract Costs	16,921	18,150	16,781	22,560	35,610	41,563	55,417	58,561	10,052	22,909	30,545	13,415	13,844	30,876	41,168	22,648	117,184
Total Maintenance Expenses	22,293	23,302	22,154	29,725	109,927	113,006	148,746	162,678	537,382	438,800	571,820	681,380	28,222	57,858	76,401	37,176	910,960
General Expenses																	
Property Insurance	-	-	-	-	4,760	19,892	26,523	27,849	2,356	2,321	3,095	3,990	415	435	580	655	32,494
Liability Insurance	8,975	5,505	7,977	12,565	10,352	10,839	14,452	15,175	5,166	6,548	8,730	7,230	144	265	353	227	35,197
Auto Insurance Expense	718	1,106	638	1,005	-	-	-	-	4,548	4,114	5,485	6,370	-	-	-	-	7,375
OPEB (GASB 45)	-	2,516	-	3,355	-	-	-	-	-	75	100	100	-	-	-	-	3,455
OPEB Maintenance (GASB 45)	-	-	-	-	-	-	-	-	-	75	100	100	-	-	-	-	100
Payments in Lieu of Taxes (PILOT)	-	-	-	-	-	-	-	-	3,943	4,110	5,480	5,360	-	-	-	-	5,360
Misc Taxes/Lic/Ins	-	-	-	-	-	-	-	-	80	195	260	100	-	-	-	-	100
Property Taxes	-	-	-	-	39,049	29,287	39,049	39,830	-	-	-	-	-	408	544	544	40,374
Property Tax: Fire	-	-	-	-	-	-	-	-	21	23	30	30	-	-	-	-	30
Bad Debt-Other	-	3,075	-	4,100	-	-	-	-	-	-	-	-	-	-	-	-	4,100
HOA Dues	-	-	-	-	-	-	-	-	83,538	77,652	103,536	103,536	-	-	-	-	103,536
Total General Expenses	12,380	12,203	8,616	21,025	54,160	60,018	80,024	82,854	96,812	95,112	126,816	126,816	559	1,107	1,476	1,426	232,121
Housing Assistance Payments	17,408,728	16,453,593	22,017,887	25,290,060	-	-	-	-	143,073	102,439	136,585	190,765	-	-	-	-	25,480,825
OPERATING EXPENSES	19,074,155	18,208,416	24,170,667	28,014,099	883,158	907,104	1,205,323	1,252,886	1,744,809	1,707,280	2,231,572	2,506,813	79,082	112,500	148,411	113,484	31,887,282
FINANCING EXPENSE																	
Interest Expense - Courtland	-	-	-	-	-	-	-	-	-	9,619	12,825	-	-	-	-	-	-
Interest Expense - HELP	-	-	-	-	-	-	-	-	10,055	9,973	13,297	13,297	-	-	-	-	13,297
Interest - Mortgage	-	-	-	-	-	-	-	-	-	35,438	47,250	-	-	-	-	-	-
Property Appraisals	-	-	-	-	-	-	-	-	-	9,000	12,000	12,000	-	-	-	-	12,000
Bank Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FINANCING EXPENSES	-	-	-	-	-	-	-	-	10,055	64,029	85,372	25,297	-	-	-	-	25,297

NON-OPERATING ITEMS																	
Depreciation -Buildings	-	4,459	-	5,945	-	(1,838)	3,150	3,150	-	53,287	71,050	71,050	-	-	12,090	12,090	92,235
Operating Transfers OUT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain/Loss from Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING ITEMS	-	4,459	-	5,945	-	(1,838)	3,150	3,150	-	53,287	71,050	71,050	-	-	12,090	12,090	92,235
CAPITAL GRANTS & OTHER																	
CFP Grant Funds Earned	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inc/Loss From Moylan Terrace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL GRANTS & OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	19,074,155	18,212,874	24,170,667	28,020,044	883,158	905,266	1,208,473	1,256,036	1,754,864	1,824,597	2,387,994	2,603,160	79,082	112,500	160,501	125,574	32,004,814
NET INCOME	821,343	(200,523)	16,148	(735,563)	27,951	28,087	35,998	(12,061)	2,139,240	2,339,034	3,163,514	2,640,308	(6,891)	(36,106)	(58,643)	(27,661)	1,865,023
CASH FLOW ADJUSTMENTS																	
OPEB (GASB 45)	-	2,516	-	3,355	-	-	-	-	-	150	200	200	-	-	-	-	3,555
Depreciation -Buildings	-	4,459	-	5,945	-	(1,838)	3,150	3,150	-	53,287	71,050	71,050	-	-	12,090	12,090	92,235
Inc/Loss From Moylan Terrace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Repairs	-	-	-	-	(35,667)	-	-	-	-	-	-	-	(10,638)	-	-	-	-
Prepaid Ground Lease	-	-	-	-	-	-	-	-	(20,180)	-	(56,083)	(70,083)	-	-	-	-	(70,083)
Construction Costs	-	-	-	-	-	-	-	-	(426,612)	-	(700,000)	(400,000)	-	-	-	-	(400,000)
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Replacement Reserves	-	-	-	-	-	-	-	-	-	(17,250)	(23,000)	(19,560)	6,722	(3,600)	(5,568)	(5,568)	(25,128)
Residual Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Related Party Debt	-	-	-	-	-	-	-	-	(324,883)	-	(210,619)	(326,706)	-	-	-	-	(326,706)
Development Notes/Prepaid Land Lease	-	-	-	-	-	-	-	-	(1,350,000)	-	-	(55,750)	-	-	-	-	(55,750)
Land Purchases - Development in Progress	-	-	-	-	-	-	-	-	-	-	0	0	-	-	-	-	-
Developer Fees	-	-	-	-	-	-	-	-	(1,311,627)	-	0	760,500	-	-	-	-	760,500
NET CASH FLOW	821,343	(193,548)	16,148	(726,263)	(7,716)	26,250	39,148	(8,911)	(1,294,062)	2,375,221	2,245,062	2,599,959	(10,807)	(39,706)	(52,121)	(21,139)	1,843,646

Housing Authority of the City of San Luis Obispo
Balance Sheet
June 30, 2020

	VOUCHER PROGRAM			ANDERSON HOTEL			LOCAL AUTHORITY			LAW APARTMENTS			COMBINED		
	Balance 6/30/2020	Balance 10/1/2019	Net Change	Balance 6/30/2020	Balance 10/1/2019	Net Change	Balance 6/30/2020	Balance 10/1/2019	Net Change	Balance 6/30/2020	Balance 10/1/2019	Net Change	Balance 6/30/2020	Balance 10/1/2019	Net Change
ASSETS															
CURRENT ASSETS															
CASH															
Unrestricted Cash	1,526,142	969,159	556,984	160,408	180,965	(20,557)	1,938,659	3,737,280	(1,798,620)	645	13,950	(13,305)	3,625,854	4,901,353	(1,275,499)
Restricted Cash	731,915	194,172	537,743	25,316	25,316	-	42,022	42,022	-	198,296	200,793	(2,497)	997,549	462,303	535,246
Total Cash	2,258,057	1,163,330	1,094,727	185,724	206,281	(20,557)	1,980,681	3,779,302	(1,798,620)	198,941	214,743	(15,802)	4,623,403	5,363,656	(740,252)
Accounts And Notes Receivable	7,533	28,618	(21,086)	27,381	4,353	23,028	56,907,549	55,065,029	1,842,520	4,891	878	4,013	56,947,354	55,098,879	1,848,475
Other Current Assets	1,426,952	1,359,058	67,893	23,773	18,463	5,310	34,793,844	33,977,295	816,549	1,203	1,715	(511)	36,245,772	35,356,531	889,241
CFP Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CURRENT ASSETS	3,692,542	2,551,007	1,141,535	236,878	229,097	7,781	93,682,075	92,821,626	860,449	205,035	217,336	(12,301)	97,816,530	95,819,066	1,997,464
NONCURRENT ASSETS															
FIXED ASSETS															
Fixed Assets	115,033	115,033	-	38,883	38,883	-	13,344,426	13,344,426	-	863,463	852,826	10,638	14,361,805	14,351,167	10,638
Accum Depn	(110,530)	(110,530)	-	(22,417)	(22,417)	-	(1,230,955)	(1,230,955)	-	(234,112)	(234,112)	-	(1,598,014)	(1,598,014)	-
Net Fixed Assets	4,503	4,503	-	16,466	16,466	-	12,113,471	12,113,471	-	629,351	618,713	10,638	12,763,791	12,753,153	10,638
Total CIP	-	-	-	35,667	-	35,667	836,095	353,047	483,049	-	-	-	871,762	353,047	518,716
Deferred Outflows	439,928	439,928	-	46,253	46,253	-	815,463	815,463	-	19,119	19,119	-	1,320,763	1,320,763	-
Deferred Outflows-OPEB	9,795	9,795	-	938	938	-	17,112	17,112	-	276	276	-	28,121	28,121	-
TOTAL NONCURRENT ASSETS	454,226	454,226	-	99,324	63,657	35,667	13,782,142	13,299,093	483,049	648,746	638,108	10,638	14,984,437	14,455,084	529,354
TOTAL ASSETS	4,146,768	3,005,233	1,141,535	336,202	292,754	43,448	107,464,217	106,120,719	1,343,498	853,781	855,444	(1,663)	112,800,967	110,274,150	2,526,817
LIABILITIES & EQUITY															
LIABILITIES															
Current Liabilities	492,649	212,791	279,857	65,254	49,758	15,497	13,709,675	13,521,860	187,815	14,894	9,666	5,228	14,282,471	13,794,075	488,397
Noncurrent Liabilities	2,266,952	2,225,881	41,071	213,209	213,209	-	4,476,422	5,548,207	(1,071,785)	81,732	81,732	-	7,038,316	8,069,030	(1,030,714)
Other Liabilities	-	-	-	-	-	-	-	-	-	704,945	704,945	-	704,945	704,945	-
TOTAL LIABILITIES	2,759,601	2,438,673	320,928	278,463	262,967	15,497	18,186,097	19,070,067	(883,970)	801,571	796,343	5,228	22,025,732	22,568,049	(542,317)
EQUITY															
Contributed Capital	4,503	10,447	(5,944)	-	-	-	88,227	-	88,227	-	-	-	92,730	10,447	82,284
Reserved Fund Balance	189,866	-	189,866	-	-	-	-	-	-	-	-	-	189,866	-	189,866
Retained Earnings	1,192,798	556,114	636,684	57,739	29,787	27,951	89,189,892	87,050,652	2,139,240	52,210	59,101	(6,891)	90,492,639	87,695,654	2,796,985
TOTAL EQUITY	1,387,167	566,560	820,607	57,739	29,787	27,951	89,278,119	87,050,652	2,227,467	52,210	59,101	(6,891)	90,775,235	87,706,101	3,069,134
TOTAL LIABILITIES AND EQUITY	4,146,768	3,005,233	1,141,535	336,202	292,754	43,448	107,464,217	106,120,719	1,343,498	853,781	855,444	(1,663)	112,800,967	110,274,150	2,526,817

**PROPOSED OPERATING BUDGET
HOUSING CHOICE VOUCHER PROGRAM
FYE 9-30-2021**



BACKGROUND

The Housing Choice Voucher (HCV) program administers 2,547 vouchers in the county of San Luis Obispo. The program receives HAP funds that are used to pay a portion of participants' rents in the open market. HASLO receives an administrative fee for each assisted participant, which funds program operations.

Vouchers – Unrestricted

The Voucher program has outperformed budget through June 2020. This is mainly due to higher administrative fee income than budgeted. Several factors resulted in this increase. These include, additional funding as a result of greater leasing in the previous calendar year, a 5% inflation factor increase in funding and receiving mainstream voucher allocations. We also assumed a 79% proration of our admin fees and the actual proration was 81% by year end.

We also received additional admin fee funding through the CARES Act to help support administrative costs while we are impacted by the COVID pandemic.

For our 2021 proposed budget we are assuming an 81% administrative fee proration. This is based on the recent prorations from HUD. We have included the remaining CARES funding that we have not yet spent in the current years. We've added employees to the Section 8 budget due to the increased workload as our leasing continues to increase. We are projecting being able to cover operational costs and generate a modest surplus.

These results assume that HASLO will receive sufficient HAP funding to be able to lease an average of 2,435 participants, a 95.6% utilization rate.

Unrestricted cash and investments remain strong at over \$2.6 million. The HCV program has no external debt.

Vouchers - Restricted

At the beginning of 2020 we were working hard to increase leasing and use all our available current year funding. Once the pandemic started our average HAP costs increased drastically. This means that the cost of each voucher leased has increased significantly. For a period of time, it looked like we would use up all of our current year funding and all of our reserves. As a result, we slowed our leasing efforts. We applied for additional HAP funding to offset the increase in HAP costs and were awarded \$937,000. We applied this to our September 2020 HAP costs, which mean we will be carrying greater reserves into the next fiscal year.

For the 2021 fiscal year, we anticipate utilizing all of our annual funding plus reserves to be able to maintain our leasing levels. HAP reserves are approximately \$1,600,000 as of September 2020, compared to reserves of approximately \$1,200,000 in the prior year.

**Vouchers - Unrestricted
Operating Budget
Fiscal Year End 9/30/2021**

	9/30/19 Actuals	6/30/20 Actuals	6/30/20 Budget	9/30/20 Budget	9/30/21 Proposed
INCOME					
TOTAL GRANT INCOME	105,134.84	285,900.59	83,235.78	110,981.04	688,649.00
TOTAL ADMIN FEE & OTHER INCOME	2,180,318.88	1,849,881.41	1,661,273.00	2,222,832.00	2,538,081.78
TOTAL OTHER INCOME	50,612.94	24,478.37	41,748.66	55,664.88	40,360.00
TOTAL INCOME	2,336,066.66	2,160,260.37	1,786,257.44	2,389,477.92	3,267,090.78
EXPENSES					
Total Administrative Salaries	1,415,487.07	1,266,337.67	1,416,157.30	1,841,004.54	2,209,641.48
Total Other Admin Expenses	63,554.23	40,931.05	35,135.10	40,928.30	46,861.80
Total Miscellaneous Admin Expenses	228,102.04	210,008.58	151,020.00	198,296.94	265,790.00
TOTAL ADMINISTRATIVE EXPENSES	1,707,143.34	1,517,277.30	1,602,312.40	2,080,229.78	2,522,293.28
TOTAL TENANT SERVICES EXPENSES	137,472.89	105,911.90	117,005.11	41,780.89	150,996.05
TOTAL UTILITY EXPENSES	0.00	7,563.91	0.00	0.00	0.00
MAINTENANCE AND OPERATIONS					
TOTAL General Maint Expense	6,322.75	4,824.04	4,751.28	4,824.04	6,430.00
TOTAL Materials	516.74	548.11	401.22	548.11	735.00
Total Contract Costs	23,785.56	16,921.14	18,149.94	16,781.49	22,560.00
TOTAL MAINTENANCE EXPENSES	30,625.05	22,293.29	23,302.44	22,153.64	29,725.00
GENERAL EXPENSES					
Pension Expense	104,207.00	0.00	0.00	0.00	0.00
Liability Insurance	6,989.92	8,974.53	5,505.03	7,977.36	12,565.00
Auto Insurance Expense	1,406.08	718.10	1,106.28	638.32	1,005.00
OPEB (GASB 45)	-4,382.00	0.00	2,516.22	0.00	3,355.00
Misc Taxes/Lic/Ins	0.00	0.00	0.00	0.00	0.00
Bad Debt-Other	0.00	2,687.64	3,075.03	0.00	4,100.00
Security	174.40	0.00	0.00	0.00	0.00
TOTAL GENERAL EXPENSES	108,395.40	12,380.27	12,202.56	8,615.68	21,025.00
TOTAL OPERATING EXPENSES	1,983,636.68	1,665,426.67	1,754,822.51	2,152,779.99	2,724,039.33
NON-OPERATING ITEMS					
Depreciation -Buildings	5,943.56	0.00	4,458.78	0.00	5,945.00
TOTAL NON-OPERATING ITEMS	5,943.56	0.00	4,458.78	0.00	5,945.00
NET INCOME	346,486.42	494,833.70	26,976.15	236,697.93	537,106.45
CASH FLOW ADJUSTMENTS					
OPEB (GASB 45)	-4,382.00	0.00	2,516.22	0.00	3,355.00
Depreciation -Buildings	5,943.56	0.00	4,458.78	0.00	5,945.00
NET CASH FLOW	348,047.98	494,833.70	33,951.15	236,697.93	546,406.45

**Vouchers - Restricted
Operating Budget
Fiscal Year End 9/30/2021**

	9/30/19 Actuals	6/30/20 Actuals	6/30/20 Budget	9/30/20 Budget	9/30/21 Proposed
INCOME					
TOTAL GRANT INCOME	21,013,942.19	17,735,238.00	16,226,094.00	21,797,337.00	24,017,390.84
TOTAL OTHER INCOME	0.00	0.00	0.00	0.00	0.00
TOTAL INCOME	21,013,942.19	17,735,238.00	16,226,094.00	21,797,337.00	24,017,390.84
EXPENSES					
TOTAL HOUSING ASSISTANCE PAYMENTS	20,824,076.27	17,408,727.87	16,453,593.00	22,017,887.00	25,290,059.95
TOTAL OPERATING EXPENSES	20,824,076.27	17,408,727.87	16,453,593.00	22,017,887.00	25,290,059.95
NET INCOME	189,865.92	326,510.13	-227,499.00	-220,550.00	-1,272,669.11
CASH FLOW ADJUSTMENTS					
OPEB (GASB 45)	0.00	0.00	0.00	0.00	0.00
Depreciation -Buildings	0.00	0.00	0.00	0.00	0.00
NET CASH FLOW	189,865.92	326,510.13	-227,499.00	-220,550.00	-1,272,669.11

**Vouchers - Combined
Operating Budget
Fiscal Year End 9/30/2021**

	9/30/19 Actuals	6/30/20 Actuals	6/30/20 Budget	9/30/20 Budget	9/30/21 Proposed
INCOME					
TENANT INCOME					
TOTAL GRANT INCOME	21,119,077.03	18,021,138.59	16,309,329.78	21,908,318.04	24,706,039.84
TOTAL ADMIN FEE & OTHER INCOME	2,180,318.88	1,849,881.41	1,661,273.00	2,222,832.00	2,538,081.78
TOTAL OTHER INCOME	50,612.94	24,478.37	41,748.66	55,664.88	40,360.00
TOTAL INCOME	23,350,008.85	19,895,498.37	18,012,351.44	24,186,814.92	27,284,481.62
EXPENSES					
Total Administrative Salaries	1,415,487.07	1,266,337.67	1,416,157.30	1,841,004.54	2,209,641.48
Total Legal Expense	0.00	0.00	0.00	0.00	0.00
Total Other Admin Expenses	63,554.23	40,931.05	35,135.10	40,928.30	46,861.80
Total Miscellaneous Admin Expenses	228,102.04	210,008.58	151,020.00	198,296.94	265,790.00
TOTAL ADMINISTRATIVE EXPENSES	1,707,143.34	1,517,277.30	1,602,312.40	2,080,229.78	2,522,293.28
TOTAL TENANT SERVICES EXPENSES	137,472.89	105,911.90	117,005.11	41,780.89	150,996.05
TOTAL UTILITY EXPENSES	0.00	7,563.91	0.00	0.00	0.00
MAINTENANCE AND OPERATIONS					
TOTAL General Maint Expense	6,322.75	4,824.04	4,751.28	4,824.04	6,430.00
TOTAL Materials	516.74	548.11	401.22	548.11	735.00
Total Contract Costs	23,785.56	16,921.14	18,149.94	16,781.49	22,560.00
TOTAL MAINTENANCE EXPENSES	30,625.05	22,293.29	23,302.44	22,153.64	29,725.00
GENERAL EXPENSES					
Employee Benefits					
Benefits	0.00	0.00	0.00	0.00	0.00
Pension Expense	104,207.00	0.00	0.00	0.00	0.00
Unallocated Benefits	0.00	0.00	0.00	0.00	0.00
W/C-FSS	0.00	0.00	0.00	0.00	0.00
Workers Compensation Exp	0.00	0.00	0.00	0.00	0.00
Property Insurance	0.00	0.00	0.00	0.00	0.00
Liability Insurance	6,989.92	8,974.53	5,505.03	7,977.36	12,565.00
Auto Insurance Expense	1,406.08	718.10	1,106.28	638.32	1,005.00
OPEB (GASB 45)	-4,382.00	0.00	2,516.22	0.00	3,355.00
Misc Taxes/Lic/Ins	0.00	0.00	0.00	0.00	0.00
Bad Debt-Other	0.00	2,687.64	3,075.03	0.00	4,100.00
Security	174.40	0.00	0.00	0.00	0.00
TOTAL GENERAL EXPENSES	108,395.40	12,380.27	12,202.56	8,615.68	21,025.00
TOTAL HOUSING ASSISTANCE PAYMENTS	20,824,076.27	17,408,727.87	16,453,593.00	22,017,887.00	25,290,059.95
NON-OPERATING ITEMS					
Depreciation -Buildings	5,943.56	0.00	4,458.78	0.00	5,945.00
Gain/Loss on Sale of Fixed Assets	0.00	0.00	0.00	0.00	0.00
TOTAL NON-OPERATING ITEMS	5,943.56	0.00	4,458.78	0.00	5,945.00
TOTAL EXPENSES	22,813,656.51	19,074,154.54	18,212,874.29	24,170,666.99	28,020,044.28
NET INCOME	536,352.34	821,343.83	-200,522.85	16,147.93	-735,562.66
CASH FLOW ADJUSTMENTS					
OPEB (GASB 45)	-4,382.00	0.00	2,516.22	0.00	3,355.00
Depreciation -Buildings	5,943.56	0.00	4,458.78	0.00	5,945.00
DEBT SERVICE	0.00	0.00	0.00	0.00	0.00
Replacement Reserves	0.00	0.00	0.00	0.00	0.00
Related Party Debt	0.00	0.00	0.00	0.00	0.00
NET CASH FLOW	537,913.90	821,343.83	-193,547.85	16,147.93	-726,262.66

**Vouchers
Balance Sheet
6/30/20**

	Balance Current Period	Beginning Balance	Net Change
ASSETS			
CURRENT ASSETS:			
CASH			
Unrestricted Cash			
Cash - Checking	1,526,142.15	969,158.55	556,983.60
Total Unrestricted Cash	1,526,142.15	969,158.55	556,983.60
Restricted Cash			
Rest. Cash - Vouchers PWB	731,915.15	194,171.92	537,743.23
Total Restricted Cash	731,915.15	194,171.92	537,743.23
TOTAL CASH	2,258,057.30	1,163,330.47	1,094,726.83
ACCOUNTS AND NOTES RECEIVABLE			
A/R - Fraud Recovery	940,778.59	887,090.65	53,687.94
Allowance for Doubtful A/R - Vouchers	-940,778.59	-887,090.65	-53,687.94
A/R - Security Deposit loans	200.00	0.00	200.00
A/R - Other Government	7,332.67	9,032.84	-1,700.17
A/R - Ross Grants	0.00	17,061.59	-17,061.59
Accrued Interest Receivable	0.00	2,523.96	-2,523.96
TOTAL ACCOUNTS AND NOTES RECEIVABLE	7,532.67	28,618.39	-21,085.72
OTHER CURRENT ASSETS			
Investments-Unrestricted	1,117,933.06	1,081,417.88	36,515.18
Investments - FSS Escrow	305,788.36	264,717.46	41,070.90
Prepaid Insurance	3,230.36	12,923.00	-9,692.64
Other Prepayments/Def Charges	-0.01	0.00	-0.01
TOTAL OTHER CURRENT ASSETS	1,426,951.77	1,359,058.34	67,893.43
TOTAL CURRENT ASSETS	3,692,541.74	2,551,007.20	1,141,534.54
NONCURRENT ASSETS:			
FIXED ASSETS			
FIXED ASSETS (NET)			
Furn & Equip - Admin	23,910.50	23,910.50	0.00
Automotive Equipment	91,122.90	91,122.90	0.00
TOTAL Fixed Assets	115,033.40	115,033.40	0.00
ACCUMULATED DEPRECIATION			
Accum Depreciation	-110,530.36	-110,530.36	0.00
TOTAL Accum Depn	-110,530.36	-110,530.36	0.00
NET FIXED ASSETS	4,503.04	4,503.04	0.00
Deferred Outflows	439,928.00	439,928.00	0.00
Deferred Outflows - OPEB	9,795.00	9,795.00	0.00
TOTAL NONCURRENT ASSETS	454,226.04	454,226.04	0.00



**PROPOSED OPERATING BUDGET
ANDERSON
FYE 9-30-2021**

BACKGROUND

The Anderson Hotel is a 68 unit project that serves elderly and disabled tenants. The Anderson is located downtown in a prime location, and meets a critical housing need in our community. This project is subsidized by an annual contract under the HUD Multifamily program.

2021 BUDGET

The net cash flow in the budget is negative. This is mainly due to the annual increase in the lease payments and potential vacancy in the commercial units. We continue to defer large capital items since we aren't able to secure the needed funding under the current HUD contract.

HASLO is under a long term lease for this project which will expire in March 2021, which is before the end of the budgeted fiscal year. We are in the process of securing tenant protection vouchers for the current tenants to prepare for the potential transfer of control back to the owner. We are still exploring options to purchase the property and preserve the much needed affordable housing units.

The 2021 budget assumes current rents. Also, it doesn't include repairing any of the deferred maintenance items. If we are able to develop this into a rehab project we will pick up the deferred maintenance items in that scope of work.

The property has cash reserves of about \$160,000.

Anderson
Operating Budget
Fiscal Year End 9/30/2021

	9/30/19 Actuals	6/30/20 Actuals	6/30/20 Budget	9/30/20 Budget	9/30/21 Proposed
INCOME					
TENANT INCOME					
Rental Income					
Tenant Rent	275,700.00	212,258.00	237,920.49	317,227.32	317,227.37
Tenant Assistance Payments	662,580.00	525,589.00	496,263.51	661,684.68	661,684.63
Less: Vacancies	-21,163.00	-47,864.00	-23,440.59	-31,254.12	-39,008.67
Less: Concessions		-1,504.13	0.00	0.00	0.00
Laundry and Vending	3,719.09	2,831.84	3,069.00	4,092.00	4,860.00
Commercial Rental Income	235,643.20	176,226.60	180,174.60	240,232.80	241,737.14
Antenna Rental Income	50,380.38	38,125.68	38,247.21	50,996.28	52,526.28
Total Rental Income	1,206,859.67	905,662.99	932,234.22	1,242,978.96	1,239,026.76
Total Other Tenant Income	2,908.14	5,257.92	234.00	312.00	3,912.00
NET TENANT INCOME	1,209,767.81	910,920.91	932,468.22	1,243,290.96	1,242,938.76
TOTAL GRANT INCOME	0.00	0.00	749.97	999.96	1,000.00
TOTAL OTHER INCOME	234.73	188.31	135.00	180.00	36.00
TOTAL INCOME	1,210,002.54	911,109.22	933,353.19	1,244,470.92	1,243,974.76
EXPENSES					
ADMINISTRATIVE					
Total Administrative Salaries	87,096.07	89,033.39	64,781.89	84,261.47	70,024.67
Total Other Admin Expenses	686,852.27	503,163.30	531,822.24	709,096.32	746,810.47
Total Miscellaneous Admin Expenses	19,760.18	16,261.65	13,970.97	18,627.96	26,936.00
TOTAL ADMINISTRATIVE EXPENSES	793,708.52	608,458.34	610,575.10	811,985.75	843,771.14
TOTAL TENANT SERVICES EXPENSES	6,529.85	3,604.63	6,219.92	8,187.22	5,343.64
TOTAL UTILITY EXPENSES	139,089.54	107,008.26	117,285.03	156,380.04	158,238.80
MAINTENANCE AND OPERATIONS					
TOTAL General Maint Expense	79,926.53	64,411.41	60,709.01	79,016.87	85,149.66
TOTAL Materials	12,820.37	9,905.02	10,734.03	14,312.04	18,968.00
Total Contract Costs	58,387.36	35,610.09	41,562.63	55,416.84	58,560.81
TOTAL MAINTENANCE EXPENSES	151,134.26	109,926.52	113,005.67	148,745.75	162,678.47
GENERAL EXPENSES					
Employee Benefits	0.00	0.00	0.00	0.00	0.00
Pension Expense	11,627.00	0.00	0.00	0.00	0.00
Workers Compensation Exp	0.00	0.00	0.00	0.00	0.00
Property Insurance	24,118.51	4,759.54	19,892.25	26,523.00	27,849.15
Liability Insurance	12,059.46	10,351.52	10,839.15	14,452.20	15,174.81
OPEB (GASB 75)	-280.00	0.00	0.00	0.00	0.00
OPEB Maintenance (GASB 75)	-248.00	0.00	0.00	0.00	0.00
Property Taxes	38,283.46	39,049.12	29,286.54	39,048.72	39,829.69
Bad Debt-Tenant Rents	2,335.07	0.00	0.00	0.00	0.00
Security	5.43	0.00	0.00	0.00	0.00
TOTAL GENERAL EXPENSES	87,900.93	54,160.18	60,017.94	80,023.92	82,853.65
TOTAL NON-OPERATING ITEMS	3,518.96	0.00	-1,837.50	3,150.00	3,150.00
TOTAL EXPENSES	1,181,882.06	883,157.93	905,266.16	1,208,472.68	1,256,035.70
NET INCOME	28,120.48	27,951.29	28,087.03	35,998.24	-12,060.94
CASH FLOW ADJUSTMENTS					
OPEB (GASB 45)	-528.00	0.00	0.00	0.00	0.00
Depreciation -Buildings	3,518.96	0.00	-1,837.50	3,150.00	3,150.00
Capital Repairs	0.00	-35,667.00	0.00	0.00	0.00
NET CASH FLOW	31,111.44	-7,715.71	26,249.53	39,148.24	-8,910.94

**Anderson
Balance Sheet
6/30/20**

	Balance Current Period	Beginning Balance	Net Change
ASSETS			
CURRENT ASSETS:			
CASH			
Unrestricted Cash			
Cash - Checking	160,407.99	180,965.07	-20,557.08
Total Unrestricted Cash	160,407.99	180,965.07	-20,557.08
Restricted Cash			
Cash - Security Deposits	25,315.99	25,315.99	0.00
Total Restricted Cash	25,315.99	25,315.99	0.00
TOTAL CASH	185,723.98	206,281.06	-20,557.08
ACCOUNTS AND NOTES RECEIVABLE			
A/R - Tenants	27,229.48	3,750.42	23,479.06
A/R - Collections	5,111.22	5,111.22	0.00
Allowance for Doubtful Accts - Collections	-5,111.22	-5,111.22	0.00
A/R - Affordable Housing Subsidies	152.00	603.00	-451.00
Accrued Interest Receivable	0.00	0.06	-0.06
TOTAL ACCOUNTS AND NOTES RECEIVABLE	27,381.48	4,353.48	23,028.00
OTHER CURRENT ASSETS			
Investments-Unrestricted	5,062.46	4,874.09	188.37
Prepaid Insurance	18,710.44	13,588.75	5,121.69
Other Prepayments/Def Charges	-0.02	0.00	-0.02
TOTAL OTHER CURRENT ASSETS	23,772.88	18,462.84	5,310.04
TOTAL CURRENT ASSETS	236,878.34	229,097.38	7,780.96
NONCURRENT ASSETS:			
FIXED ASSETS			
FIXED ASSETS (NET)			
Buildings Improvement Costs	38,882.59	38,882.59	0.00
TOTAL Fixed Assets	38,882.59	38,882.59	0.00
ACCUMULATED DEPRECIATION			
Accum Depreciation	-22,416.92	-22,416.92	0.00
TOTAL Accum Depn	-22,416.92	-22,416.92	0.00
NET FIXED ASSETS	16,465.67	16,465.67	0.00
CIP			
CIP-Other	35,667.00	0.00	35,667.00
TOTAL CIP	35,667.00	0.00	35,667.00
Deferred Outflows	46,253.00	46,253.00	0.00
Deferred Outflows - OPEB	938.00	938.00	0.00
TOTAL NONCURRENT ASSETS	99,323.67	63,656.67	35,667.00
TOTAL ASSETS	336,202.01	292,754.05	43,447.96

**Anderson
Balance Sheet
6/30/20**

	Balance Current Period	Beginning Balance	Net Change
LIABILITIES & EQUITY			
LIABILITIES:			
CURRENT LIABILITIES:			
Payables to LHA	15,462.37	0.00	15,462.37
A/P to SLONP	90.26	0.00	90.26
Tenant Security Deposits	16,695.25	17,835.99	-1,140.74
Security Deposit-Pet	900.00	900.00	0.00
Security Deposits - Commercial Tenants	6,580.00	6,580.00	0.00
Accrued Expenses	670.00	670.00	0.00
Accrued OPEB (GASB)	8,546.00	8,546.00	0.00
Accrued Compensated Absences-Current	4,570.00	4,570.00	0.00
Accrued Payroll & Payroll Taxes	4,962.00	4,962.00	0.00
Tenant Prepaid Rents	6,778.44	5,693.66	1,084.78
TOTAL CURRENT LIABILITIES	65,254.32	49,757.65	15,496.67
NONCURRENT LIABILITIES:			
Accrued Compensated Absences-LT	2,512.00	2,512.00	0.00
Deferred Inflows	18,428.00	18,428.00	0.00
Net Pension Liability	192,269.00	192,269.00	0.00
TOTAL NONCURRENT LIABILITIES	213,209.00	213,209.00	0.00
TOTAL LIABILITIES	278,463.32	262,966.65	15,496.67
EQUITY			
RETAINED EARNINGS:			
Invested in Capital Assets-Net of Debt	16,466.00	12,598.63	3,867.37
Retained Earnings-Unrestricted Net Assets	41,272.69	17,188.77	24,083.92
TOTAL RETAINED EARNINGS:	57,738.69	29,787.40	27,951.29
TOTAL EQUITY	57,738.69	29,787.40	27,951.29
TOTAL LIABILITIES AND EQUITY	336,202.01	292,754.05	43,447.96

**PROPOSED OPERATING BUDGET
LOCAL AUTHORITY
FYE 9-30-2021**



BACKGROUND

Local Authority (LHA) is the non-HUD/unrestricted arm of the Housing Authority. Local Authority has three core lines of business: owned rental property, property management, and project development. Rental property consists of 38 owned apartment units and 1 rental home. Local Authority provides property management and maintenance services for all of our affiliated non-profits, tax credit, and HUD Multifamily properties. Local Authority also serves as the development arm of the Housing Authority and is currently active in developing a number of projects.

2021 BUDGETS

Each of the three LHA segments is projecting a net surplus and positive cash flow.

Rental Property

LHA's rental properties, led by our Parkwood property, continue to generate solid cash flows, and have strong demand as units become available. Parkwood is restricted to those earning up to 80% of area median income. This has allowed HASLO to provide housing for those whose income exceeds the limits for Tax Credit properties. This housing serves a critical need in our community. Rental income has increased and vacancy has trended down. Because of this we are budgeting for an increase in net cash flow at year end.

Property Management

Property management currently manages approximately 780 housing units, including the addition of the former public housing (RAD) units this year. The number of units managed will continue to grow as we develop new projects. The primary sources of income for this segment are Management fees and work order fees. Management fee income is estimated to cover our costs plus return a small profit.

The budget includes an increase in maintenance fee income. This is due to hiring additional maintenance staff and managing additional properties as newly developed properties are added to our portfolio. These fees are paid by the properties that use the maintenance labor and a small profit is added to the reimbursed costs.

Management salaries have also increased. Some of this is reimbursed by the properties for on site manager services, but some of this is overhead for the property management line of business. We are carrying additional overhead, which decreased the profit margin on our management fee income, this year. This is because of additions of new staff as our number of units under management grows. Local Authority also administers a number of other affordable housing programs and grants which flow through this segment.

Development

LHA Development is very active in building and developing affordable housing projects. During 2020 we completed the first half of the rehab of the RAD properties, completed a major portion of the construction of Courtyard and Halcyon, were awarded tax credits for Nipomo Senior, began the application process for Morro Bay and purchased sites in Arroyo Grande and Shell Beach.

We expect to generate a little over \$2 million in developer fee income in this budget. Some of this is reflected in the income section of the budget and some was already accrued as income in 2020, so it is reflected with an addition of cash at the bottom of the budget.

We continue to earn a substantial amount of interest income for the funds we are holding from the RAD project. A portion of these funds will be loaned into the RAD project at the conversion from construction loan to permanent loan in 2022.

This segment also generates prepaid land lease income from leasing land to the tax credit partnerships, however the timing of this will depend on the funding of the Morro Bay project. To be conservative, this income is not included in the budget as it may end up in the following year.

**Local Authority - Combined
Operating Budget
Fiscal Year End 9/30/2021**

		9/30/19	6/30/20	6/30/20	9/30/20	9/30/21
		Actuals	Actual	Budget	Budget	Proposed
3000-00-000	INCOME					
3399-99-000	NET TENANT INCOME	664,052.44	547,819.21	518,729.76	691,639.68	733,363.67
3499-99-000	TOTAL GRANT INCOME	202,075.82	87,674.30	122,088.78	162,785.04	205,765.00
3699-99-000	TOTAL OTHER INCOME	5,098,217.53	3,258,610.75	3,522,812.31	4,697,083.08	4,304,339.07
3999-99-000	TOTAL INCOME	5,964,345.79	3,894,104.26	4,163,630.85	5,551,507.80	5,243,467.74
4000-01-000	EXPENSES					
4100-01-000	ADMINISTRATIVE					
4109-99-000	Total Administrative Salaries	820,892.51	848,757.90	909,560.03	1,182,427.91	1,323,615.71
4139-99-000	Total Other Admin Expenses	119,352.92	45,617.85	82,327.59	109,770.12	92,095.00
4191-99-000	Total Miscellaneous Admin Expenses	46,026.50	29,881.69	32,475.06	43,300.08	41,040.00
4199-99-000	TOTAL ADMINISTRATIVE EXPENSES	986,271.93	924,257.44	1,024,362.68	1,335,498.11	1,456,750.71
4299-99-000	TOTAL TENANT SERVICES EXPENSES	44,405.59	27,439.27	37,815.60	49,185.03	30,260.00
4399-99-000	TOTAL UTILITY EXPENSES	14,287.00	15,845.05	8,751.15	11,668.16	20,841.00
4400-01-000	MAINTENANCE AND OPERATIONS					
4419-99-000	TOTAL General Maint Expense	276,952.00	519,643.25	398,671.54	518,314.96	649,570.00
4429-99-000	TOTAL Materials	24,603.30	7,687.41	17,219.97	22,959.96	18,395.00
4498-99-000	Total Contract Costs	27,091.63	10,051.68	22,908.87	30,545.16	13,415.00
4499-99-000	TOTAL MAINTENANCE EXPENSES	328,646.93	537,382.34	438,800.38	571,820.08	681,380.00
4500-01-000	GENERAL EXPENSES					
4502-01-000	Pension Expense	220,922.00	0.00	0.00	0.00	0.00
4502-02-000	Pension Expense-Offset	-12,585.00	0.00	0.00	0.00	0.00
4508-02-000	Casualty Loss-Insurance Proceeds	-1,528.50	0.00	0.00	0.00	0.00
4510-00-000	Property Insurance	4,766.81	2,356.29	2,321.28	3,095.04	3,990.00
4515-00-000	Liability Insurance	5,755.19	5,165.64	6,547.50	8,730.00	7,230.00
4516-00-000	Auto Insurance Expense	5,837.30	4,548.42	4,113.72	5,484.96	6,370.00
4517-00-000	OPEB (GASB 45)	-8,260.00	0.00	74.97	99.96	100.00
4517-02-000	OPEB Maintenance (GASB 45)	-2,122.00	0.00	74.97	99.96	100.00
4517-03-000	OPEB Expense - Offset	915.00	0.00	0.00	0.00	0.00
4520-00-000	Payments in Lieu of Taxes (PILOT)	6,300.32	3,942.90	4,110.03	5,480.04	5,360.00
4521-00-000	Misc Taxes/Lic/Ins	505.00	80.00	194.94	259.92	100.00
4526-00-000	Property Tax: Fire	21.18	21.18	22.50	30.00	30.00
4570-00-000	Bad Debt - Tenant Rents	6,168.41	-2,840.32	0.00	0.00	0.00
4575-00-000	HOA Dues	99,673.85	83,538.00	77,652.00	103,536.00	103,536.00
4580-00-000	Security	22.19	0.00	0.00	0.00	0.00
4599-99-000	TOTAL GENERAL EXPENSES	326,391.75	96,812.11	95,111.91	126,815.88	126,816.00
4797-99-000	TOTAL HOUSING ASSISTANCE PAYMENTS	119,436.38	143,072.64	102,438.72	136,584.96	190,765.00
4801-01-000	OTHER DISTRIBUTIONS					
4851-39-000	Interest Expense - Courtland	11,863.14	0.00	9,618.75	12,825.00	0.00
4851-59-000	Interest Expense - Moylan	0.00	0.00	0.00	0.00	0.00
4852-02-000	Interest Expense - HELP	14,157.95	10,055.10	9,972.72	13,296.96	13,297.00
4855-00-000	Interest Expense - Mortgage	0.00	0.00	35,437.50	47,250.00	0.00
4881-00-000	Property Appraisals	6,500.00	0.00	9,000.00	12,000.00	12,000.00
4882-00-000	Bank Fees	0.00	0.00	0.00	0.00	0.00
4899-99-000	TOTAL FINANCING EXPENSES	32,521.09	10,055.10	64,028.97	85,371.96	25,297.00

**Local Authority - Combined
Operating Budget
Fiscal Year End 9/30/2021**

		9/30/19	6/30/20	6/30/20	9/30/20	9/30/21
		Actuals	Actual	Budget	Budget	Proposed
5000-01-000	NON-OPERATING ITEMS					
5050-00-000	Depreciation -Buildings	81,879.05	0.00	53,287.47	71,049.96	71,050.00
5211-00-000	Surplus Cash Paid	51.43	0.00	0.00	0.00	0.00
5232-00-000	Gain/Loss from Sale of Real Property	-54,699,211.23	0.00	0.00	0.00	0.00
5999-99-000	TOTAL NON-OPERATING ITEMS	-54,617,280.75	0.00	53,287.47	71,049.96	71,050.00
6399-99-000	CAPITAL GRANTS & OTHER	-2,830,607.37	0.00	0.00	0.00	0.00
8000-99-000	TOTAL EXPENSES	-52,765,320.08	1,754,863.95	1,824,596.88	2,387,994.14	2,603,159.71
9000-99-000	NET INCOME	61,560,273.24	2,139,240.31	2,339,033.97	3,163,513.66	2,640,308.03
					0.00	0.00
CASH FLOW ADJUSTMENTS						
OPEB	OPEB (GASB 45)	-9,203.00	0.00	149.94	199.92	200.00
DEPR	Depreciation -Buildings	71,047.50	0.00	53,287.47	71,049.96	71,050.00
Moylan	Inc/Loss From Moylan Terrace	0.00	0.00	0.00	0.00	0.00
Ground	Prepaid Ground Lease	0.00	-20,179.60	0.00	-56,082.72	-70,082.67
Construction	Construction Costs	0.00	-426,612.00	0.00	-700,000.00	-400,000.00
MoylanSales	Moylan Sales Proceeds	0.00	0.00	0.00	0.00	0.00
Repl	Replacement Reserves	0.00	0.00	-17,250.03	-23,000.00	-19,560.00
Related	Related Party Debt - Interest Income	0.00	-324,882.70	0.00	-210,619.00	-326,706.00
Dev Notes	Development Notes/Prepaid Land Lease	0.00	0.00	0.00	0.00	-55,750.36
Land	Land Purchases - Development in Progr	0.00	-1,350,000.00	0.00	0.00	0.00
Dev Fees	Developer Fees	0	-1,311,627		0	760,500
NET CASH FLOW		61,622,118	-1,294,061	2,375,221	2,245,062	2,599,959

**Local Authority - Property Mgmt
Operating Budget
Fiscal Year End 9/30/2021**

	9/30/19 Actuals	6/30/20 Actual	6/30/20 Budget	9/30/20 Budget	9/30/21 Proposed
INCOME					
NET TENANT INCOME	6,316.00	13,573.00	4,661.28	6,215.04	0.00
TOTAL GRANT INCOME	143,094.82	146,655.30	122,088.78	162,785.04	205,765.00
TOTAL OTHER INCOME	959,228.54	1,154,042.05	1,025,529.03	1,367,372.04	1,479,158.27
TOTAL INCOME	1,108,639.36	1,314,519.57	1,152,279.09	1,536,372.12	1,684,923.27
EXPENSES					
Total Administrative Salaries	327,621.68	307,298.29	321,184.60	417,540.00	520,140.00
Total Other Admin Expenses	70,471.64	32,001.54	31,095.09	41,460.12	30,930.00
Total Miscellaneous Admin Expenses	36,237.08	24,327.56	24,930.00	33,240.00	32,925.00
TOTAL ADMINISTRATIVE EXPENSES	434,330.40	363,627.39	377,209.69	492,240.12	583,995.00
TOTAL TENANT SERVICES EXPENSES	36,285.77	22,982.06	31,773.24	41,330.11	25,115.00
TOTAL UTILITY EXPENSES	2,109.45	5,286.74	112.50	150.00	7,055.00
MAINTENANCE AND OPERATIONS					
TOTAL General Maint Expense	268,520.26	497,481.12	381,856.84	496,420.04	617,675.00
TOTAL Materials	15,369.18	281.61	9,247.50	12,330.00	8,545.00
Total Contract Costs	4,009.45	2,922.98	2,925.00	3,900.00	3,905.00
TOTAL MAINTENANCE EXPENSES	287,898.89	500,685.71	394,029.34	512,650.04	630,125.00
GENERAL EXPENSES					
Benefits	0.00	0.00	0.00	0.00	0.00
Pension Expense	104,485.00	0.00	0.00	0.00	0.00
Pension Expense-Offset	-12,585.00	0.00	0.00	0.00	0.00
Workers Compensation Exp	0.00	0.00	0.00	0.00	0.00
Insurance Expense	7,516.50	9,219.87	10,192.50	13,590.00	12,910.00
OPEB	-4,180.00	0.00	0.00	0.00	0.00
Misc Taxes/Lic/Ins	120.00	0.00	119.97	159.96	0.00
HOA Dues	0.00	0.00	0.00	0.00	0.00
Security	22.19	0.00	0.00	0.00	0.00
Other General Expense	0.00	0.00	0.00	0.00	0.00
TOTAL GENERAL EXPENSES	95,378.69	9,219.87	10,312.47	13,749.96	12,910.00
TOTAL HOUSING ASSISTANCE PAYMEN	119,436.38	143,072.64	102,438.72	136,584.96	190,765.00
NON-OPERATING ITEMS					
Depreciation -Buildings	1,266.80	0.00	0.00	0.00	0.00
TOTAL NON-OPERATING ITEMS	1,266.80	0.00	0.00	0.00	0.00
TOTAL EXPENSES	976,706.38	1,044,874.41	915,875.96	1,196,705.19	1,449,965.00
NET INCOME	131,932.98	269,645.16	236,403.13	339,666.93	234,958.27
CASH FLOW ADJUSTMENTS					
OPEB (GASB 45)	-5,095.00	0.00	0.00	0.00	0.00
NET CASH FLOW	126,838	269,645	236,403	339,667	234,958
	0.00	1.01	0.00	0.00	0.00

**Local Authority - Rentals
Operating Budget
Fiscal Year End 9/30/2021**

	9/30/2019 Actuals	6/30/20 Actual	6/30/20 Budget	9/30/20 Budget	9/30/21 Proposed
INCOME					
NET TENANT INCOME	627,383.09	513,817.39	472,006.44	629,341.92	663,281.00
TOTAL OTHER INCOME	33,899.07	9,607.37	32,062.50	42,750.00	18,885.00
TOTAL INCOME	661,282.16	523,424.76	504,068.94	672,091.92	682,166.00
EXPENSES					
ADMINISTRATIVE					
Total Administrative Salaries	92,291.24	63,113.21	92,857.74	120,714.96	122,255.00
Total Other Admin Expenses	2,082.53	362.15	1,023.84	1,365.12	960.00
Total Miscellaneous Admin Expenses	4,257.98	3,322.08	3,101.31	4,135.08	4,120.00
TOTAL ADMINISTRATIVE EXPENSES	98,631.75	66,797.44	96,982.89	126,215.16	127,335.00
TOTAL TENANT SERVICES EXPENSES	6,482.53	4,457.21	6,042.36	7,854.92	5,145.00
TOTAL UTILITY EXPENSES	11,519.63	9,946.30	8,173.62	10,898.12	12,971.00
MAINTENANCE AND OPERATIONS					
TOTAL General Maint Expense	17,023.74	22,162.13	16,814.70	21,894.92	31,895.00
TOTAL Materials	9,188.67	7,319.83	7,972.47	10,629.96	9,755.00
Total Contract Costs	23,082.18	7,127.69	19,983.87	26,645.16	9,510.00
TOTAL MAINTENANCE EXPENSES	49,294.59	36,609.65	44,771.04	59,170.04	51,160.00
GENERAL EXPENSES					
Benefits	0.00	0.00	0.00	0.00	0.00
Pension Expense	9,139.00	0.00	0.00	0.00	0.00
Workers Compensation Exp	0.00	0.00	0.00	0.00	0.00
Insurance Expense	3,542.00	2,850.48	2,790.00	3,720.00	4,680.00
OPEB	-415.00	0.00	149.94	199.92	200.00
Taxes and Insurance	4,911.30	4,044.08	4,207.50	5,610.00	5,490.00
Bad Debt-Tenant Rents	3,702.00	-2,787.36	0.00	0.00	0.00
HOA Dues	99,673.85	83,538.00	77,652.00	103,536.00	103,536.00
TOTAL GENERAL EXPENSES	120,553.15	87,645.20	84,799.44	113,065.92	113,906.00
FINANCING EXPENSE					
Interest Expense - Courtland	11,863.14	0.00	9,618.75	12,825.00	0.00
TOTAL FINANCING EXPENSES	11,863.14	0.00	9,618.75	12,825.00	0.00
NON-OPERATING ITEMS					
Depreciation -Buildings	71,047.50	0.00	53,287.47	71,049.96	71,050.00
Surplus Cash	51.43	0.00	0.00	0.00	0.00
TOTAL NON-OPERATING ITEMS	71,098.93	0.00	53,287.47	71,049.96	71,050.00
TOTAL EXPENSES	369,443.72	205,455.80	303,675.57	401,079.12	381,567.00
NET INCOME	291,838.44	317,968.96	200,393.37	271,012.80	300,599.00
CASH FLOW ADJUSTMENTS					
OPEB (GASB 45)	-415.00	0.00	149.94	200.00	200.00
Depreciation -Buildings	71,047.50	0.00	53,287.47	71,049.96	71,050.00
Debt Service		0.00	0.00	0.00	0.00
Replacement Reserves		0.00	-17,250.03	-23,000.00	-19,560.00
NET CASH FLOW	362,471	317,969	236,581	319,263	352,289
	60.7%	46.9%	53.3%	51.6%	

**Local Authority - Development
Operating Budget
Fiscal Year End 9/30/2021**

	9/30/19 Actuals	6/30/20 Actual	6/30/20 Budget	9/30/20 Budget	9/30/21 Proposed
INCOME					
NET TENANT INCOME	30,353.35	20,179.60	42,062.04	56,082.72	70,082.67
TOTAL GRANT INCOME	58,981.00	-58,981.00	0.00	0.00	0.00
TOTAL OTHER INCOME	4,105,089.92	2,094,961.33	2,465,220.78	3,286,961.04	2,806,295.80
TOTAL INCOME	4,194,424.27	2,056,159.93	2,507,282.82	3,343,043.76	2,876,378.47
EXPENSES					
Total Administrative Salaries	400,979.59	478,346.40	495,517.69	644,172.95	681,220.71
Total Other Admin Expenses	46,798.75	13,254.16	50,208.66	66,944.88	60,205.00
Total Miscellaneous Admin Expenses	5,531.44	2,232.05	4,443.75	5,925.00	3,995.00
TOTAL ADMINISTRATIVE EXPENSES	453,309.78	493,832.61	550,170.10	717,042.83	745,420.71
TOTAL MAINTENANCE EXPENSES	-8,546.55	85.97	0.00	0.00	95.00
GENERAL EXPENSES					
Employee Benefits					
Benefits	0.00	0.00	0.00	0.00	0.00
Pension Expense	107,298.00	0.00	0.00	0.00	0.00
Workers Compensation Exp	0.00	0.00	0.00	0.00	0.00
Property Insurance	1,970.52	0.00	0.00	0.00	0.00
Liability Insurance	1,188.08	0.00	0.00	0.00	0.00
Auto Insurance	613.70	0.00	0.00	0.00	0.00
OPEB (GASB 75)	-3,693.00	0.00	0.00	0.00	0.00
OPEB Maintenance (GASB 75)	-1,179.00	0.00	0.00	0.00	0.00
Payments in Lieu of Taxes (PILOT)	1,795.20	0.00	0.00	0.00	0.00
Property Taxes	0.00	0.00	0.00	0.00	0.00
Bad Debt - Tenant Rents	2,466.41	-52.96	0.00	0.00	0.00
Bad Debt - Other	0.00	0.00	0.00	0.00	0.00
Title/Escrow Fees	0.00	0.00	0.00	0.00	0.00
TOTAL GENERAL EXPENSES	110,459.91	-52.96	0.00	0.00	0.00
FINANCING EXPENSE					
OTHER DISTRIBUTIONS					
Interest Expense - Moylan	0.00	0.00	0.00	0.00	0.00
Interest Expense - HELP	14,157.95	10,055.10	9,972.72	13,296.96	13,297.00
Interest Expense - Mortgage	0.00	0.00	35,437.50	47,250.00	0.00
Property Appraisals	6,500.00	0.00	9,000.00	12,000.00	12,000.00
Bank Fees	0.00	0.00	0.00	0.00	0.00
TOTAL FINANCING EXPENSES	20,657.95	10,055.10	54,410.22	72,546.96	25,297.00
NON-OPERATING ITEMS					
Depreciation - Buildings	9,564.75	0.00		0.00	0.00
Gain/Loss from Sale Disposition of Real Pr	-54,699,211.23	0.00	0.00	0.00	0.00
TOTAL NON-OPERATING ITEMS	-54,689,646.48	0.00	0.00	0.00	0.00
TOTAL CAPITAL GRANTS & OTHER	-2,830,607.37	0.00	0.00	0.00	0.00
TOTAL EXPENSES	-54,111,470.18	504,532.73	605,045.35	790,209.83	771,627.71
NET INCOME	61,136,501.82	1,551,627.20	1,902,237.47	2,552,833.93	2,104,750.76
CASH FLOW ADJUSTMENTS					
OPEB (GASB 45)	-3,693.00	0.00	0.00	0.00	0.00
Prepaid ground lease	0.00	-20,179.60	0.00	-56,082.72	-70,082.67
Construction in Progress	0.00	-426,612.00	0.00	-700,000.00	-400,000.00
Debt Service	0.00	0.00	0.00	0.00	0.00
Replacement Reserves	0.00	0.00	0.00	0.00	0.00
Related Party Debt - Interest Income	0.00	-324,882.70	0.00	-210,619.00	-326,706.00
Development Notes/Prepaid Land Leas	0.00	0.00	0.00	0.00	-55,750.36
Land Purchases - Development in Progi	0.00	-1,350,000.00	0.00	0.00	0.00
Developer Fees	0	-1,311,627	0	0	760,500
NET CASH FLOW	61,132,809	-1,881,674	1,902,237	1,586,132	2,012,712

Balance Sheet (With Period Change)

Period = Oct 2019-Jun 2020

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
ASSETS			
CURRENT ASSETS:			
CASH			
Unrestricted Cash			
Cash - Checking	1,837,814.77	3,699,246.38	-1,861,431.61
Cash - Checking	11,330.46	5.14	11,325.32
Cash - Checking	87,666.31	37,778.00	49,888.31
Cash on Hand	1,847.77	250.00	1,597.77
Total Unrestricted Cash	1,938,659.31	3,737,279.52	-1,798,620.21
Restricted Cash			
Cash - Security Deposits	42,022.00	42,022.00	0.00
Total Restricted Cash	42,022.00	42,022.00	0.00
TOTAL CASH	1,980,681.31	3,779,301.52	-1,798,620.21
TOTAL ACCOUNTS AND NOTES RECEIVAB	56,907,549.17	55,065,029.04	1,842,520.13
TOTAL CURRENT ASSETS	93,682,074.94	92,821,625.93	860,449.01
NONCURRENT ASSETS:			
FIXED ASSETS			
FIXED ASSETS (NET)			
Land	8,777,338.65	8,777,338.65	0.00
Land - Homeless Shelter	451,000.00	451,000.00	0.00
Land - Ahearn	750,724.50	750,724.50	0.00
Land - The Wedge	107,000.00	107,000.00	0.00
Buildings	2,922,878.53	2,922,878.53	0.00
Furn & Equip - Admin	20,202.79	20,202.79	0.00
Automotive Equipment	315,281.27	315,281.27	0.00
TOTAL Fixed Assets	13,344,425.74	13,344,425.74	0.00
ACCUMULATED DEPRECIATION			
Accum Depreciation	-1,230,954.54	-1,230,954.54	0.00
TOTAL Accum Depn	-1,230,954.54	-1,230,954.54	0.00
NET FIXED ASSETS	12,113,471.20	12,113,471.20	0.00
TOTAL CIP	836,095.43	353,046.62	483,048.81
Deferred Outflows	815,463.00	815,463.00	0.00
Deferred Outflows - OPEB	17,112.00	17,112.00	0.00
TOTAL NONCURRENT ASSETS	13,782,141.63	13,299,092.82	483,048.81
TOTAL ASSETS	107,464,216.57	106,120,718.75	1,343,497.82

Balance Sheet (With Period Change)

Period = Oct 2019-Jun 2020

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
LIABILITIES & EQUITY			
LIABILITIES:			
CURRENT LIABILITIES:			
Payables to LHA	1,626,922.90	1,322,749.89	304,173.01
A/P to SLONP	9,640.57	0.00	9,640.57
Tenant Security Deposits	41,250.00	41,422.00	-172.00
Security Deposit-Pet	1,200.00	600.00	600.00
A/P Other	11,325.32	0.00	11,325.32
PAYROLL PAYABLES			
Workers Comp Payable	-22,728.70	0.00	-22,728.70
Health Ins Withholdings	-3,605.15	0.00	-3,605.15
Dental Ins Withholdings	-743.82	0.00	-743.82
Retirement Withholding Payable	38.13	0.00	38.13
United Way Withholdings	30.00	0.00	30.00
Supplemental Ins Payable (Aflac)	-218.02	0.00	-218.02
Sect 125 Withholding	-0.03	0.00	-0.03
Retirement Loan Withholding	-410.86	0.00	-410.86
Wage Garnishments withheld	8.00	0.00	8.00
Vision Ins Withholding	-128.69	0.00	-128.69
TOTAL Payroll Payables	-27,783.29	0.00	-27,783.29
Accrued Expenses	2,906.00	2,906.00	0.00
Accrued OPEB (GASB)	154,546.00	154,546.00	0.00
Accrued Compensated Absences-Currei	28,617.00	28,617.00	0.00
Accrued Payroll & Payroll Taxes	33,716.00	33,716.00	0.00
Accrued PILOT	22,872.85	18,929.95	3,942.90
Prepaid Land Lease	11,582,283.05	11,602,462.65	-20,179.60
Tenant Prepaid Rents	1,210.35	1,496.68	-286.33
Tenant Recreation Fund Payable	12,602.60	12,602.60	0.00
Unearned Grant Funds	78,747.52	180,528.82	-101,781.30
Undistributed Credits	28,618.00	21,282.00	7,336.00
Advance Payable	1,000.00	0.00	1,000.00
Adv Payable - SLONP (Performance De	100,000.00	100,000.00	0.00
TOTAL CURRENT LIABILITIES	13,709,674.87	13,521,859.59	187,815.28
NONCURRENT LIABILITIES:			
Accrued Compensated Absences-LT	15,728.00	15,728.00	0.00
Mortgage Payable	0.00	1,050,000.00	-1,050,000.00
N/P - Help Loan - SRO/HOME	434,750.22	456,535.14	-21,784.92
N/P-City of AG - Courtland	55,500.00	55,500.00	0.00
Deferred Inflows	429,721.00	429,721.00	0.00
Net Pension Liability	3,540,723.00	3,540,723.00	0.00
TOTAL NONCURRENT LIABILITIES	4,476,422.22	5,548,207.14	-1,071,784.92
TOTAL LIABILITIES	18,186,097.09	19,070,066.73	-883,969.64

Balance Sheet (With Period Change)

Period = Oct 2019-Jun 2020

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
EQUITY			
CONTRIBUTED CAPITAL:			
General Partner Contribution	88,227.15	0.00	88,227.15
TOTAL CONTRIBUTED CAPITAL	88,227.15	0.00	88,227.15
RETAINED EARNINGS:			
Invested in Capital Assets-Net of Debt	12,113,468.11	6,010,008.77	6,103,459.34
Retained Earnings-Unrestricted Net Ass	77,076,424.22	81,040,643.25	-3,964,219.03
TOTAL RETAINED EARNINGS:	89,189,892.33	87,050,652.02	2,139,240.31
TOTAL EQUITY	89,278,119.48	87,050,652.02	2,227,467.46
TOTAL LIABILITIES AND EQUITY	107,464,216.57	106,120,718.75	1,343,497.82

**PROPOSED OPERATING BUDGET
LAW APARTMENTS
FYE 9-30-2021**



BACKGROUND

Law Apartments is a 9 unit family project. This project is subsidized by HUD as a Multifamily complex. Law Apartments is in a very desirable location, and historically has had very little turnover.

2021 BUDGET

Year to date net cash flow has been higher than budgeted, but this is mainly due to changes in the capital projects planned for the year. Vacancy has been higher than expected, however this is partly because we took the opportunity to make significant upgrades to the units when they became vacant. This extended the length of the vacancy. Reserves were used for most of this work.

The 2021 budget assumes no change in rents, since this property has cash reserves that HUD will require us to use before granting a rent increase. The budget includes exterior lighting replacements and flooring replacements. These items will use excess cash reserves from prior years, which is the reason the budget shows negative cash flow.

During the 2013 fiscal year, the HUD backed mortgage was paid off in full. However, the regulatory agreement on the property extends for many years to come. The mortgage being paid off does open the possibility of renegotiating some of the terms with HUD.

**Dan Law
Operating Budget
Fiscal Year End 9/30/2021**

	9/30/19 Actuals	6/30/20 Actuals	6/30/20 Budget	9/30/20 Budget	9/30/21 Proposed
INCOME					
TENANT INCOME					
Rental Income					
Tenant Rent	70,131.00	50,528.00	42,895.62	57,194.16	56,770.49
Tenant Assistance Payments	32,041.00	25,872.00	33,649.38	44,865.84	44,533.51
Less: Vacancies	-10,180.00	-6,052.00	-3,481.47	-4,641.96	-6,162.69
Laundry and Vending	1,660.80	967.53	1,287.00	1,716.00	1,452.00
Total Rental Income	93,652.80	71,315.53	74,350.53	99,134.04	96,593.31
Total Other Tenant Income	1,496.33	630.67	1,521.00	2,028.00	948.00
NET TENANT INCOME	95,149.13	71,946.20	75,871.53	101,162.04	97,541.31
TOTAL OTHER INCOME	636.25	244.43	522.00	696.00	372.00
TOTAL INCOME	95,785.38	72,190.63	76,393.53	101,858.04	97,913.31
EXPENSES					
Total Administrative Salaries					
	23,386.20	23,813.17	25,231.87	32,808.85	35,863.99
Total Other Admin Expenses					
	10,706.06	9,658.72	9,889.20	13,185.60	13,698.04
Total Miscellaneous Admin Expenses					
	2,683.66	2,347.36	2,304.00	3,072.00	3,456.00
TOTAL ADMINISTRATIVE EXPENSES	36,775.92	35,819.25	37,425.07	49,066.45	53,018.03
TOTAL TENANT SERVICES EXPENSES	416.14	161.80	350.33	455.64	384.03
TOTAL UTILITY EXPENSES	19,741.31	14,319.42	15,759.00	21,012.00	21,480.00
MAINTENANCE AND OPERATIONS					
TOTAL General Maint Expense					
	16,120.19	12,369.10	22,707.29	29,532.95	10,316.43
TOTAL Materials					
	6,915.31	2,008.29	4,275.00	5,700.00	4,212.00
Total Contract Costs					
	22,142.25	13,844.38	30,876.03	41,168.04	22,648.00
TOTAL MAINTENANCE EXPENSES	45,177.75	28,221.77	57,858.32	76,400.99	37,176.43
GENERAL EXPENSES					
Employee Benefits					
	0.00	0.00	0.00	0.00	0.00
Benefits					
	0.00	0.00	0.00	0.00	0.00
Pension Expense					
	2,237.00	0.00	0.00	0.00	0.00
Workers Compensation Exp					
	0.00	0.00	0.00	0.00	0.00
Property Insurance					
	491.16	414.99	434.70	579.60	655.20
Liability Insurance					
	294.84	144.27	264.60	352.80	226.80
OPEB (GASB 75)					
	-43.00	0.00	0.00	0.00	0.00
OPEB Maintenance (GASB 75)					
	-59.00	0.00	0.00	0.00	0.00
Property Taxes					
	402.31	0.00	407.97	543.96	544.00
Bad Debt-Tenant Rents					
	963.00	0.00	0.00	0.00	0.00
Security					
	0.72	0.72	0.00	0.00	0.00
TOTAL GENERAL EXPENSES	4,287.03	559.98	1,107.27	1,476.36	1,426.00
TOTAL NON-OPERATING ITEMS	12,546.42	0.00	0.00	12,089.88	12,089.88
TOTAL EXPENSES	118,944.57	79,082.22	112,499.99	160,501.32	125,574.37
NET INCOME	-23,159.19	-6,891.59	-36,106.46	-58,643.28	-27,661.05
CASH FLOW ADJUSTMENTS					
OPEB (GASB 45)					
	-102.00	0.00	0.00	0.00	0.00
Depreciation -Buildings					
	12,546.42	0.00	0.00	12,089.88	12,089.88
Replacement Reserve					
	-5,692.48	6,722.39	-3,600.00	-5,568.00	-5,568.00
Residual Receipts					
	0.00	0.00	0.00	0.00	0.00
Capital Repairs					
	0.00	-10,637.72	0.00	0.00	0.00
NET CASH FLOW	-16,407.25	-10,806.92	-39,706.46	-52,121.40	-21,139.17

**Dan Law
Balance Sheet
6/30/20**

	Balance Current Period	Beginning Balance	Net Change
ASSETS			
CURRENT ASSETS:			
CASH			
Unrestricted Cash			
Cash - Checking	644.96	13,949.87	-13,304.91
Total Unrestricted Cash	644.96	13,949.87	-13,304.91
Restricted Cash			
Cash - Security Deposits	4,279.00	4,279.00	0.00
Cash - Replacement Reserves	72,445.85	79,168.24	-6,722.39
Cash - Painting Reserve	14,811.86	14,796.22	15.64
Cash - Residual Receipts Reserve	106,759.20	102,549.50	4,209.70
Total Restricted Cash	198,295.91	200,792.96	-2,497.05
TOTAL CASH	198,940.87	214,742.83	-15,801.96
ACCOUNTS AND NOTES RECEIVABLE			
A/R - Tenants	63.00	67.17	-4.17
A/R - Collections	963.00	963.00	0.00
Allowance for Doubtful Accts - Collection	-963.00	-963.00	0.00
A/R - Affordable Housing Subsidies	4,828.00	795.00	4,033.00
Accrued Interest Receivable	0.00	16.29	-16.29
TOTAL ACCOUNTS AND NOTES RECEIVABLE	4,891.00	878.46	4,012.54
OTHER CURRENT ASSETS			
Investments-Unrestricted	1,016.47	968.68	47.79
Prepaid Insurance	186.74	746.00	-559.26
Other Prepayments/Def Charges	-0.01	0.00	-0.01
TOTAL OTHER CURRENT ASSETS	1,203.20	1,714.68	-511.48
TOTAL CURRENT ASSETS	205,035.07	217,335.97	-12,300.90
NONCURRENT ASSETS:			
FIXED ASSETS			
FIXED ASSETS (NET)			
Land	456,000.00	456,000.00	0.00
Buildings	147,042.33	147,042.33	0.00
Buildings Improvement Costs	93,700.10	88,645.10	5,055.00
Furn & Equip - Dwelling	18,349.81	12,767.09	5,582.72
Capital Improve.(Mio): Law Apts	133,339.08	133,339.08	0.00
Capital Improve. Landscaping	15,031.90	15,031.90	0.00
TOTAL Fixed Assets	863,463.22	852,825.50	10,637.72
ACCUMULATED DEPRECIATION			
Accum Depreciation	-234,112.29	-234,112.29	0.00
TOTAL Accum Depn	-234,112.29	-234,112.29	0.00
NET FIXED ASSETS	629,350.93	618,713.21	10,637.72
Deferred Outflows	19,119.00	19,119.00	0.00
Deferred Outflows - OPEB	276.00	276.00	0.00
TOTAL NONCURRENT ASSETS	648,745.93	638,108.21	10,637.72
TOTAL ASSETS	853,781.00	855,444.18	-1,663.18

**Dan Law
Balance Sheet
6/30/20**

	Balance Current Period	Beginning Balance	Net Change
LIABILITIES & EQUITY			
LIABILITIES:			
CURRENT LIABILITIES:			
Payables to LHA	4,606.27	0.00	4,606.27
A/P to SLONP	328.26	0.00	328.26
Tenant Security Deposits	3,962.00	3,979.00	-17.00
Security Deposit-Pet	0.00	300.00	-300.00
Accrued Expenses	100.00	100.00	0.00
Accrued OPEB (GASB)	2,617.00	2,617.00	0.00
Accrued Compensated Absences-Current	885.00	885.00	0.00
Accrued Payroll & Payroll Taxes	1,023.00	1,023.00	0.00
Accrued PILOT	460.11	460.11	0.00
Tenant Prepaid Rents	912.00	301.84	610.16
TOTAL CURRENT LIABILITIES	14,893.64	9,665.95	5,227.69
NONCURRENT LIABILITIES:			
Accrued Compensated Absences-LT	486.00	486.00	0.00
Deferred Inflows	8,507.00	8,507.00	0.00
Net Pension Liability	72,739.00	72,739.00	0.00
TOTAL NONCURRENT LIABILITIES	81,732.00	81,732.00	0.00
OTHER LIABILITIES			
HUD Capital Grant	581,937.00	581,937.00	0.00
HUD Project Imp Grant	123,008.00	123,008.00	0.00
TOTAL OTHER LIABILITIES	704,945.00	704,945.00	0.00
TOTAL LIABILITIES	801,570.64	796,342.95	5,227.69
EQUITY			
RETAINED EARNINGS:			
Retained Earnings-Unrestricted Net Assets	52,210.36	59,101.23	-6,890.87
TOTAL RETAINED EARNINGS:	52,210.36	59,101.23	-6,890.87
TOTAL EQUITY	52,210.36	59,101.23	-6,890.87
TOTAL LIABILITIES AND EQUITY	853,781.00	855,444.18	-1,663.18

RESOLUTION NO. 13 (2020 SERIES)

**RESOLUTION APPROVING THE AGENCY-WIDE OPERATING BUDGET
FOR THE HOUSING AUTHORITY OF THE CITY OF SAN LUIS OBISPO
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2021**

WHEREAS, the Board of Commissioners is required to approve Operating Budgets; and

WHEREAS, the Board of Commissioners, in its review of the budget has determined the following:

- A. The proposed expenditures are necessary in the efficient and economic operation of the Housing Authority for the purposes of serving low-income families; and
- B. The financial plan is reasonable in that it indicates a source of funding adequate to cover all proposed expenditures; it does not provide for use of Federal funding in excess of that payable under the provisions of these regulations; and that all proposed rental charges and expenditures will be consistent with provision of law.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Housing Authority of the City of San Luis Obispo that the Agency-Wide Operating Budget for Fiscal Year Ending 9-30-2021 is hereby approved.

On motion of Commissioner _____, seconded by Commissioner _____,
and on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

The foregoing Resolution was duly adopted and passed this 17th day of September, 2020.

JAY C. BECK, CHAIRMAN

SEAL:

ATTEST:

SCOTT SMITH, SECRETARY

RESOLUTION NO. 14 (2020 SERIES)

**RESOLUTION APPROVING OPERATING BUDGET AND
CERTIFICATIONS LISTED ON FORM HUD-52574 ATTACHED
PROJECT CAL 64-A (CAL 64 2,3,4,5,6,7,8,9; CA16-P064-013, -014 & -016)
FISCAL YEAR ENDING SEPTEMBER 30, 2021**

WHEREAS, the U.S. Department of Housing and Urban Development requires that the Board of Commissioners approve any Operating Budgets; and

WHEREAS, the Board of Commissioners, in its review of the budget has determined the following:

A. That proposed expenditures are necessary in the efficient and economic operation of the Housing Authority for the purpose of serving low-income families.

B. That the financial plan is reasonable in that it indicates a source of funding adequate to cover all proposed expenditures; it does not provide for use of Federal funding in excess of that payable under the provisions of these regulations; and that all proposed rental charges and expenditures will be consistent with provision of law and the Annual Contributions Contract.

WHEREAS, the Financial Management Handbook requires that the Housing Authority of the City of San Luis Obispo certify that it is in compliance with the requirements of 24CFR part 960.209, including any amendments thereto; and

WHEREAS, the Authority is required to certify that no PHA employee reflected in the Operating Budget is serving in a variety of positions which will exceed 100% allocation of their time; and

WHEREAS, the Authority is required to certify that it has taken the appropriate steps to provide a drug-free workplace; and

WHEREAS, the Authority is also required to certify to all additional requirements listed on form HUD-52574 attached.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Housing Authority of the City of San Luis Obispo that the Operating Budget for Fiscal Year Ending 9-30-2021, Project CAL 64-A, is hereby approved; and

FURTHERMORE, that it certifies to all the requirements as evidenced by the Chairman's signature on form HUD-52574.

On motion of Commissioner _____, seconded by Commissioner _____,
and on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

The foregoing Resolution was duly adopted and passed this 17th day of September, 2020.

JAY C. BECK, CHAIRMAN

SEAL:

ATTEST:

SCOTT SMITH, SECRETARY