



BOARD OF COMMISSIONERS
REGULAR SCHEDULED MEETING
12:00 P.M. Friday, March 17, 2017
GHURA's Main Office
1st floor, Conference Room, Sinajana
AGENDA

I. ROLL CALL

II. APPROVAL OF PREVIOUS BOARD MINUTES – February 24, 2017

Page(s)

III. CORRESPONDENCE AND REPORTS

1. Financial Highlights 1-8
October 2016 – December 2016

IV. OLD BUSINESS

1. Section Eight Lottery Update (Reference Minute No. 051/017)

V. NEW BUSINESS

VI. GENERAL DISCUSSION / ANNOUNCEMENTS

1. Next proposed scheduled Board meeting – March 31st

VII. ADJOURNMENT

BOARD OF COMMISSIONERS
REGULAR SCHEDULED MEETING
12:00 p.m., March 17, 2017

GHURA Main Office, 1st floor conference room
Sinajana, Guam

MINUTES

After notice was duly and timely given pursuant to the Open Government Law of Guam and the Bylaws of the Authority, the Board of Commissioners' regular scheduled meeting of **March 17, 2017** at 12:00 p.m. at the GHURA Sinajana Main Office, 1st Floor Conference Room was conducted.

I. ATTENDANCE, QUORUM, AND CALL TO ORDER

COMMISSIONERS PRESENT: George A. Santos, Chairman
 Thomas E. B. Borja, Vice Chairman
 Annabelle M. Dancel, Member
 Carl V. Dominguez, Member
 Joseph M. Leon Guerrero, Resident Commissioner

COMMISSIONERS ABSENT: Eliza U. Paulino, Member (excused)

BOC LEGAL COUNSEL: Anthony Perez (excused)

MANAGEMENT & STAFF: Michael J. Duenas, Executive Director
 Pedro A. Leon Guerrero, Deputy Director
 Millie Taitano, Special Assistant
 Albert Santos, A&E Manager
 Katherine Taitano, Chief Planner
 Lucele Leon Guerrero, Controller
 Norma San Nicolas, S8 Administrator

PUBLIC: George Pereda

Meeting was called to Order at 12:00p.m. by Chairman Santos who acknowledged the presence of the above attendees. The Chairman then indicated that the minimum number of Commissioners required for a quorum was present and that the meeting can proceed.

Minute No.	Ref. No.	Approval of Previous Board Meeting	Action By:
104/17		<p>The Chairman called for a motion to be made on the approval of the Minutes for the previous Board Meeting on February 24, 2017.</p> <p>Commissioner Dominguez raised a point regarding how much detail should be included in the minutes. The Chairman stated that the minutes should record the decisions made by the board in sufficient detail.</p>	
105/17		<p>After review and further discussion by the Board Members, a motion was made by Commissioner Dominguez and seconded by Commissioner Dancel to approve the Board Minutes of February 24, 2017 as submitted.</p>	
Minute No.	Ref. No.	Correspondence and Reports	Action By
106/17		<p>PIH Compliance Review</p> <p>Director Duenas stated that HUD usually does a general compliance review on all our programs every 3 to 5 years. They used a Risk-based Assessment to identify which of the grantees or Housing Authorities should be prioritized for a compliance review. One of the criteria is the date of the last compliance review conducted on the housing authority. Our last review was over 5 years ago. This is not unusual and they basically come out and look over our policies and procedures confirming if we are in fact following them and if they are consistent with or reflective of the most recent set of changes with the regulations and guidance they have given us. They have asked for certain documents to be forwarded to them before their visit. All managers are currently working on their document request.</p>	

Minute No.	Ref. No.	Correspondence and Reports	Action By
106/17 (continuation)		<p>Director Duenas stated that according to Jesse Wu of the Honolulu Field Office, GHURA is 1 of 9 housing authorities that will be under direct compliance review from the Region 9 and 10. They will be here from April 25th to the 28th.</p>	Michael Duenas
107/17		<p>Financial Highlights (October 2016-December 2016)</p> <p>Ms. Lucele Leon Guerrero stated that the first couple of pages within the report consists of the summary, the write-outs, and the lease up and occupancy of the Public Housing AMP1,2,3,4 and GT for the first 3 months.</p> <p>Ms. Leon Guerrero gave a summary of the statement of Net Position. Cash at \$14.4 million, fixed asset at \$23.4 million and the total asset at \$45.4 million.</p> <p>Within the liabilities and net position, our account payable is at \$98 thousand. This is what we owe to our contractors and vendors for the first 3 quarters. The current and long term portion of notes payable is \$1.1 million. This is GT's debt with USDA, a 50 year loan that started in 1980. Net position is what GHURA is worth if we were to sell the company at this point of time which is \$2.6 million.</p> <p>Within the Combined Statement of Revenues, Expenses and changes in Net Position, operating revenues is at \$10.6 million for the quarter. \$10 million of this is coming from HUD sources and \$130 thousand is coming from other government grants.</p>	Lucele Leon Guerrero

Minute No.	Ref. No.	Correspondence and Reports	Action By
107/17 (continuation)		<p>Operating expenses is at \$10.2 million in which \$7.3 million, the majority is for paying our Section 8 Landlords and Utility Reimbursements to our tenants. \$1.4 million is for vendor payments and \$1.5 million is for the salaries and benefits for our personnel. Net profit is \$374 thousand. The net non-operating income is \$2 thousand. The interest income is coming from the multiple accounts we have and the interest expense is GT's loan with USDA.</p> <p>The change in Net Position is \$377 thousand. Net Income consists of programs or projects that are bringing in money and Net Loss are programs that are grants with timing difference in which we have to drawdown money for them or money is on its way. Although many programs are at loss, they have a reserve fund set aside to touch which is money not spent from the previous years.</p> <p>With the Occupancy rate, AMP1 is the only one at 100 percent, AMP2 is at 97 percent, AMP3 is at 96 percent, AMP4 is at 92 percent, GT is at 99 percent, and Section 8 is at 94 percent.</p>	
108/17		<p>Department of Housing and Urban Development, The President's 2018 Budget</p> <p>Ms. Lucele Leon Guerrero stated that these documents show what are coming up in the 2018 budget. The budget provides over \$35 billion for HUD's rental assistance programs, eliminates funding for the Community Development Block Grant program, eliminates funding for a number of lower priority programs such as HOME, provides \$130 million to promote healthy and lead-safe homes, eliminates funding for Section 4</p>	Lucele Leon Guerrero

Minute No.	Ref. No.	Correspondence and Reports	Action By
108/17 (continuation)		Capacity Building for Community Development and Affordable Housing, and supports homeownership.	
Minute No.	Ref. No.	Old Business	Action By
109/17		<p>Section 8 Lottery Update (Reference Minute No. 051/17)</p> <p>Ms. Norma San Nicolas stated that out of the 1800 selected in the lottery only 1301 submitted an online application. They are currently reviewing those applications because some of them have submitted more than one application. Names have not been pulled yet since the staff are still cleaning up the list by removing those duplicates. Ms. San Nicolas stated however, that they will be pulling names soon. It still will remain first come, first served based on time and date.</p>	
Minute No.	Ref. No.	General Discussion / Announcements	Action By
110/17		<p>REAC Review</p> <p>Mr. Albert Santos stated that one inspector from HUD is currently on island. He started off with AMP1 and then to AMP3. With AMP1, we passed.</p> <p>UPCS covers 4 major components: site, common area, system, and units. The point breakdown varies with the number of developments. Site consists of all ground areas such as fence line, sidewalks, and roadways. This is the second biggest</p>	Albert Santos

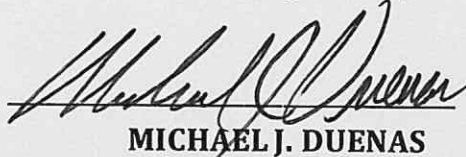
Minute No.	Ref. No.	General Discussion / Announcements	Action By
110/17 (continuation)		<p>component in which AMP1 scored 20 points out of 100. With Common area, they scored less than 1 point. For System, they scored 8 points. For housing which is the largest component and covers about 50 percent of the scoring. With AMP1, we got hit for infestation and blocked egress.</p> <p>The detail inspection consists of 25 pages of checked items. Each room has many components they look at such as tiles, wall, ceiling, and doors and the inspector will randomly pick the unit. If there are any health and safety issues, then we will have to respond to it within 24 hours.</p> <p>The inspector is ahead of schedule, so we will know the scoring for AMP3 by tomorrow. Next week, another inspector will be coming in from off island to be inspecting AMP2 and the one currently here will be inspecting AMP4. We should be done by Thursday next week.</p> <p>Mr. A. Santos stated that HUD plans to use the UPCS inspection criteria with Section 8, therefore it will impact a lot of our Section 8 housing.</p> <p>Mr. A. Santos stated that we will be getting a re-inspection in November of this year, so this will be a lesson learned.</p> <p>Director Duenas stated that as soon as we get the results, he will meet with Mr. A. Santos and Deputy Director Leon Guerrero and discuss the areas where they lost points in and what needs to be done so this will be prevented next time. Whether it will be with the families and their failures in following the rules or our failures in preventive maintenance, unit inspections, or housekeeping inspections.</p>	

Minute No.	Ref. No.	General Discussion / Announcements	Action By
111/17		Next Proposed Scheduled Meetings - March 31 st , April 14 th and April 21 st	Millie Taitano

112/17

ADJOURNMENT

There being no further business before the Board, a motion was made by **Commissioner Dominguez** and Seconded by **Vice Chairman Borja**, which was unanimously agreed upon, to adjourn the meeting. The meeting was adjourned at 1:33 p.m.



MICHAEL J. DUENAS

Board Secretary/Executive Director

(SEAL)



U.S. Department of Housing and Urban Development

Honolulu Field Office
1132 Bishop Street, Suite 1400
Honolulu, Hawaii 96813
<http://www.hud.gov>

March 7, 2017

Mr. Michael J. Duenas
Executive Director
Guam Housing and Urban Renewal Authority
117 Bien Venida Avenue
Sinajana, Guam 96910

SUBJECT: PIH Compliance Monitoring Review

Dear Mr. Duenas:

This letter is to notify you that a team of HUD staff from the Office of Public and Indian Housing will be conducting an assessment of the Guam Housing and Urban Renewal Authority (GHURA). The purpose of the assessment is to review the performance of GHURA's Low-Income Public Housing (LIPH) and Section 8 Housing Choice Voucher (HCV) programs, as well as compliance with HUD program requirements and regulations.

The review team, which consists of five members from the Honolulu HUD Field Office, will conduct a remote assessment of your agency. This will be followed by an on-site assessment for five days. The on-site assessment will continue the assessment review and provide time for in-person interviews.

The review team requests you provide the information and/or documents listed on the attached document. Request an electronic copy of the information and documents listed above by March 24, 2017, by email to darlene.l.kaholokula@hud.gov. Request that the documents be identified by the program and corresponding number listed.

The on-site assessment of your agency is scheduled from April 24 - 28, 2017. The review team will hold an entrance conference with you and key staff at 9:00 am on April 24, at GHURA's main office. We request that you provide us with a work area for three people with room to accommodate files. The team's on-site work will include a follow-up on questions resulting from the remote assessment. In addition, additional information or interviews may be requested during the review.

Michael J. Duenas
Executive Director
March 7, 2017

A tenant file review will be conducted on the LIPH Program and the Section 8 HCV Program. A list of the names selected for the review will be sent to you prior to the on-site review.

An exit meeting is scheduled for April 28, 2017, the time to be determined.

If you have any questions, please contact me at jesse.wu@hud.gov or at (808) 457-4668. We appreciate your cooperation and look forward to working with the Guam Housing and Urban Renewal Authority during this review. Thank you for your assistance with this matter.

Sincerely,



Jesse Wu
Director
Office of Public Housing

Attachment

- cc: George A. Santos
Board Chairperson
GHURA
- cc: Thomas E.B. Borja
Board Member
GHURA
- cc: Annabelle Dancel
Board Member
GHURA
- cc: Joseph Leon Guerrero
Board Member (Resident)
GHURA

PHA NAME	PHA NUMBER	DATE
Guam Housing and Urban Renewal Authority	GQ001 and GQ901	03/07/2017

REQUESTED DOCUMENTS

Provide a copy of the following documents on the first day of the scheduled site visit.
Provide a copy of the ***bold italicized*** documents 15 days prior to the scheduled site visit.

All Programs

1. ***Hierarchical Organizational Chart*** – denote appropriate staff who will be available for interviewing with contact info
2. Latest PHA Five-Year Plan, PHA Plan and approved Board Resolution
3. PHA by-laws
4. Six months of current board meeting minutes

Public Housing show/Hide PH

1. Admission and Continued Occupancy Policy (ACOP) and approved Board Resolution (Pet Policy and Flat Rent Policy)
2. Ledger and policies related to income targeting
3. Top section of waiting list and report of last five recently-housed tenants for period 10/01/2015 – 09/30/2016.
4. Ledger of past evictions for period 10/01/2015 – 09/30/2016.
5. Documentation from recent evictions
6. Demographic data by development
7. Ledger of excluded units, if applicable.
8. Identify mixed-finance projects with relevant details, if applicable.
9. Non-Smoking Policy, if applicable.
10. Baseline documents (Annual Contributions Contract; Declaration of Trusts)

PROCUREMENT

1. ***Procurement Policy***
2. ***Procurement Procedures***
3. ***Procurement File Checklist***
4. ***List of PHA personnel who have been trained in the HA's Procurement Policy and Procurement Procedures***
5. ***List of PHA personnel who are involved with Procurement actions or issues for the last 3 years***
6. ***Procurement/Contracting main point of contact***
7. ***List detailing the number, dollar amount, and procurement description of procurement awards for Small Purchase, Sealed Bid, and Competitive Proposals. Include date of award, vendor, type of award (Small Purchase, Sealed Bid, Competitive Proposal), amount of award, and description of procured services or materials.***
8. ***Documentation on how pre-procurement and post-procurement contract files are kept, both hard copy and electronically; who is responsible for maintaining these files and updating them***

PHA NAME	PHA NUMBER	DATE
Guam Housing and Urban Renewal Authority	GQ001 and GQ901	03/07/2017

with appropriate information as the procurement proceeds. Provide documentation as to how long the PHA keeps procurement files after completion of the procured services or materials, and what happens to the procurement files after that timeframe.

9. *Documentation of all awarded non-competitive procurements for the past two HA fiscal years. Provide HUD approval correspondence for each awarded non-competitive procurement.*
10. *Documentation of PHA's inventory control system*
11. *Documentation and dates the last two inventories were completed for Maintenance.*
12. *Documentation and dates the last two inventories were completed for the Administrative Office.*
13. *HA's disposition policy.*
14. *Detailed list of disposed equipment and property for the past two years.*
15. *Disclosure of Lobbying Activities (SF-LLL).*
16. *Certification of Payments to Influence Federal Transactions (form HUD 50071).*
17. *List of all legal-professional invoices and receipts for the HA's last fiscal year. Include as part of this list a description of legal-professional services and products provided, date provided, dollar amount, and source of funding (Federal or non-Federal).*

Maintenance

1. *List of Health and Safety, and Severe Deficiencies findings from the most recent HA inspection.*
2. *Work Order log showing when Exigent, Health and Safety, and Severe Deficiency findings were identified and when they were corrected.*
3. *Utility Allowance Schedule for past two years for the Public Housing and Housing Choice Voucher programs*
4. *Date of last Utility Allowance adjustment for both Public Housing and Housing Choice Voucher programs*
5. *Policy for Individual Relief of Utility allowance in accordance with 965.508*

Lead-Based Paint for Public Housing (Review on-site)

1. *LBP inspections and risk assessments for properties pre-1978*
2. *Lead disclosure forms for target housing.*

HCV Show/Hide HCV

1. Administrative Plan and approved Board Resolution
2. *Latest version of 2-Year Forecast Tool, if agency utilizes it.*
3. Payment Standard Schedule for past two years.
4. Most recent utility allowance consumption study for past two years.
5. Any documentation related to local preferences and wait list policies.
6. Records to support data reported on most recent SEMAP certification for 10/01/2015 – 09/30/2016.
7. Top section of waiting list and report of most recently-housed tenants for period 10/01/2015 – 09/30/2016.
8. Report documenting HQS dates compared to lease-up date

PHA NAME	PHA NUMBER	DATE
Guam Housing and Urban Renewal Authority	GQ001 and GQ901	03/07/2017

SEMAP ASSESSMENT REVIEWS Show/Hide SEMAP

1. Administrative Plan; resolution adopting the plan. (Listed under the HCV Program)
2. All policies and procedures related to the HCV program
3. The SEMAP Quality Control files (usually binders or folders) for SEMAP Indicators (24 CFR §985.3).
 - a. Each file should include the SEMAP quality control policies, determination of the SEMAP universe of files and random selection methodology (24 CFR §985.2(b)) and tracking logs:
 - i. #1 Selection from Waiting List (24 CFR §982.54(d)(1) and §982.204(a)) including a complete application package.
 - ii. #2 Reasonable Rent (24 CFR §982.4, §982.54(d)(15), §982.158(f)(7) and §982.507)
 - iii. #3 Determination of Adjusted Income (24 CFR §5, subpart F and 24 CFR §982.516) including a complete re-examination package and a copy of the HAP payment.
 - iv. #5 HQS Quality Control (24 CFR §982.405(b))
 - v. #6 HQS Enforcement (24 CFR §982.404)

Finance

Overall

1. Budget expense policies. (Include Capitalization Policy, General Depository Agreement and list of accounts, Collateralization Policy, Insurance Policies)
2. Annual financial statement budgets for fiscal year ending 9/30/16 and 9/30/17. Financial statement actuals for 9/30/16 and latest month.
3. Documentation that LOCCS funds were drawn down within three days of expenditure (if applicable)
4. Board minutes or other documents that show the frequency of expense review by Board & ED
5. Documentation showing that accounts payable records indicate vouchers and supporting documentation are reviewed to prevent resubmission and double payments
6. Last three months of bank reconciliations
7. List of investments
8. Petty cash policies and ledgers
9. Procedures for cash payments, if applicable.
10. Tenant accounts receivable data for last month of previous fiscal year
11. Ledger of delinquent amounts

PH Only

12. Budget and expense reports for each PH development

HCV Only

13. Ledger of HAP corrections

GHURA Financial Highlights for October 2016 - December 2016

(for the three months and 1st quarter ended)

BOC Meeting, March 17, 2017

Statement of Net Position (Assets):

- Cash for all programs total \$14.4 M
- Property, Plant & Equipment (net of depreciation) total \$23.4 M.
- Total Assets (what GHURA owns) equal \$45.4 M.

Statement of Net Position (Liabilities and Net Position):

- Payments to vendors/contractors total \$98.5 K.
- GT debt to USDA RD total \$1.1 M.
- Net Position (what GHURA's worth) is \$26.6 M.

Combined Statement of Revenues, Expenses, Change in Net Position:

- Operating Revenues total \$10.6 M (\$10 M are from HUD, \$130 K from other Government Grants and \$463 K from other sources).
- Expenses total \$10.2 M (\$7.3 M paid to landlords for HAP and tenants for utility reimbursements, \$1.4 M paid vendors/contractors/subrecipients and \$1.5 M are for salaries and benefits).
- Net income from operation is \$375 K.
- Net Non-operating income total \$2 K (interest income of \$18 K were received and \$16 K of interest expenses were paid for GT – RD Loan).
- Change in net position (net income) is \$377 K.
- Net position increased from \$26.2 M to \$26.6 M. (what GHURA's worth)

GHURA Financial Highlights for October 2016 - December 2016

(for the three months and 1st quarter ended)

BOC Meeting, March 17, 2017

Highlights by Fund:

- Change in Net Position (Net income) = \$377 K
- Program/Project Funds with net cash inflow (net income) are: Supportive Housing for the Elderly (GT), Multifamily Housing Services Coordinator (MFHSC), Shelter Plus Care (SPC), Public and Indian Housing (AMPs or PH), Section 8 Housing Choice Vouchers (S8 HCV), Public Housing Capital Fund (CFP), Economic, Social and Political Development of the Territories – Compact Impact (DOI) and Trust Funds.
- Program/Project Funds with net cash outflow (net loss) are: Community Development Block Grants/Special Purpose Grants/Insular Areas (CDBG), Emergency Shelter Grants (ESG), Supportive Housing Program (SHP), HOME Investment Partnerships (HOME), Resident Opportunities and Supportive Services (ROSS), FSS Program Coordinator Grant (FSS), Neighborhood Stabilization Program (NSP ARRA), LOCAL Funds, Other Funds and Revolving Funds.
- The following are Grants, reflecting net cash inflows and outflows due to timing differences: MFHSC, CDBG, ESG, SHP and SPC (CoC), HOME, ROSS, CFP, FSS and DOI.
- GT reflects income of \$64 K. Approximately \$150 K annually for CNA Project. Continuing to be frugal with expenditures.
- AMPs or PH reflect a combined income of \$234 K. Note: Income will be reserves if not expended by fiscal year end.
- S8 HCV reflects income of \$144 K. Note: Building Rental and Office Rent to COCC not included yet. Most of the income is HAP. Continuing to be frugal with expenditures.
- NSP ARRA reflects loss of \$13 K. Note: Fund has cash reserves to cover expenditures.
- LOCAL Funds reflect a combined loss of \$209 K. COCC Building Rental Income from HCV and CPD not included yet. HCV Management Fees from Admin Fees Earned continues to be \$12 per unit months leased (UML). CPD Program Management Fee not included yet. Continuing to be frugal with expenditures.
- Other Funds reflect a combined loss of \$30 K. Yona Urban Renewal Fund has cash reserves from prior years to cover expenditures.
- Revolving Funds reflect a combined loss of \$31 K. Astumbo and LIHTC have reserves from prior years to cover expenditures.
- Trust Funds reflect a combined income of \$11. Note: Interest income earned and received.

GH
Occupancy
October - December 2016

FY 2017

Occupied Unit Listing Report Period	Program						Grand Total
	AMP 1	AMP 2	AMP 3	AMP 4	Guma Trankilidat	Section 8 - HCV	
10/1/2016	158	155	183	214	49	2410	3169
11/1/2016	158	157	183	213	48	2385	3144
12/1/2016	158	156	185	209	49	2387	3144
Grand Total	474	468	551	636	146	7182	9457

ACC Units 158 163 195 234 49 2560

Unit Months (3 months, Oct - Dec 2016) 474 489 585 702 147 7680

FY 2017

Units Under Modernization Per WinTen2 Unit Vacancy Report Period	Program						Grand Total
	AMP 1	AMP 2	AMP 3	AMP 4	Guma Trankilidat	Section 8 - HCV	
10/1/2016	0	2	5	0	0	7	7
11/1/2016	0	2	2	0	0	4	4
12/1/2016	0	2	2	11	15	15	15
Grand Total	0	6	9	11	11	26	26

Unit Months Available 474 483 576 691 147 7680 (26)

Unit Month Lease up % 100.00% 96.89% 95.66% 92.04% 99.32% 93.52%

Date : December 2016

Statement of Net Position

ASSETS**Current Assets**

Cash	\$14,416,989.43
Accounts receivable	\$1,812,037.12
Due To / From Other Funds, net	\$0.00
Consumable Inventory	\$260,912.74
Other current assets	\$2,774,794.00

Total current assets	\$19,264,733.29
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Investments	\$1,282,614.65
Prepaid expenses	\$1,405,723.29

Total non-current investments	\$0.00
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Property, plant & equipment, net	\$23,433,931.44
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Total non-current assets	\$26,122,269.38
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Total assets	\$45,387,002.67
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Date : December 2016

Statement of Net Position

Liabilities and Net Position
Liabilities**Current Liabilities**

Accounts Payable	\$98,509.22
Current portion of Notes Payable	\$62,000.00
Deferred Revenue	\$6,708,109.27

Other current liabilities	\$10,213,692.01
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Total current liabilities	\$17,082,310.50
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Non-Current Accrued Liabilities	\$678,531.03
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Long-term portion of note payable	\$1,017,662.59
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Total liabilities	\$18,778,504.12
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Net Position

Net Position	\$26,608,498.55
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Total liabilities and net position	\$45,387,002.67
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Date : December 2016

Combined Statement of Revenues, Expenses, Change in Net Position

Operating Revenue and Expenditures	
Operating Revenue	
HUD PHA GRANTS	\$9,975,269.00
Tenant Revenue	\$146,516.11
Other Government Grants	\$130,219.70
Other Non-Government Contributions	\$0.00
Other Operating Revenue	\$316,608.12
	<hr/>
Total Operating Revenues	\$10,568,612.93
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Operating Expenditures	
Personnel Expenditures	\$1,542,055.71
Vendor Expenditures	\$1,376,014.53
Housing Assistance Payments	\$7,266,851.68
Compensated Absences	\$6,687.03
Depreciation	\$0.00
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Total Operating Expense	\$10,194,025.95
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Net Profit or Loss from Operations	\$374,586.98

Date : December 2016

Combined Statement of Revenues, Expenses, Change in Net Position

Other Non-operating Revenue (Expenses)	
Interest Income	\$18,486.18
Interest Expense	(\$16,210.82)
Other, Net	\$0.00
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Total Non-operating Revenue, Net	\$2,275.36
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Change in Net Position	\$376,862.34
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Total Net Position - Beginning of Year	\$26,231,636.21
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Total Net Position - End of Period	\$26,608,498.55
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Account Type	FS Program	14.225 Community Development Block Grants/Speci al Purpose Grants/Insula r Area	14.235 Supportive Housing Program	14.238 Shelter Plus Care Program	14.239 HOME Investments Partnerships	14.850 Public Housing and Indian Housing	14.870 Resident Opportuniti es and Supportive Services	14.871 Section 8 Housing Choice Vouchers	14.872 Public Housing Capital Fund Program	14.896 FSS Program Coordinator Grant	Economic, Social and Political Development of the Territories - Compact Impact	ARRA-CFDA Neighborhood Stabilization	Local Funds	Other Funds	Revolving Funds	Trust Funds	Grand Total	
R11A Revenue from Tenants	(24,297.00)	(157,738.00)	(10,617.23)	(288,417.91)	(5,500.00)	(9,600.00)	(107,719.11)	(9,103.56)	(7,682,690.00)	(280,320.04)	(15,193.01)	(130,219.70)	0.00	0.00	0.00	0.00	(146,516.11)	
R11C HUD Contributions	(116.93)	(957.97)	0.00	(21.93)	(15,378.09)	(2,777.00)	(9,103.56)	0.00	0.00	(280,320.04)	(15,193.01)	(130,219.70)	0.00	0.00	0.00	0.00	(9,975,269.00)	
R11E Other Government Contributions	26,921.36	1,818.43	0.00	(1,645.00)	(12,151.95)	(2,204.75)	10,605.77	333,071.17	0.00	0.00	0.00	(0.89)	(139.51)	(31.57)	(6.85)	(11.41)	(130,219.70)	
R11M Investment Interest and Dividends	75,783.78	0.00	0.00	0.00	50,265.02	526,858.41	10,605.77	333,071.17	30,801.51	29,428.83	4,076.43	0.00	(276,982.45)	0.00	0.00	0.00	(18,486.18)	
R18A Personnel Expenditures	0.00	0.00	0.00	0.00	50,265.02	526,858.41	10,605.77	333,071.17	30,801.51	29,428.83	4,076.43	0.00	(276,982.45)	0.00	0.00	0.00	(18,486.18)	
R18C Vendor Expenditures	0.00	0.00	0.00	0.00	50,265.02	526,858.41	10,605.77	333,071.17	30,801.51	29,428.83	4,076.43	0.00	(276,982.45)	0.00	0.00	0.00	(18,486.18)	
R18E HAP Expenditures	0.00	0.00	0.00	0.00	50,265.02	526,858.41	10,605.77	333,071.17	30,801.51	29,428.83	4,076.43	0.00	(276,982.45)	0.00	0.00	0.00	(18,486.18)	
R16G2 Interest Expense on Long-Term N	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(18,486.18)	
R16G Depreciation and Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(18,486.18)	
R6A Gain (Loss) on Sale of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(18,486.18)	
R6T Operating Transfers In / Out	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(18,486.18)	
R18Z Other Operating Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(18,486.18)	
Grand Total	(64,193.94)	(8,798.80)	(434.09)	44,960.86	2,262.18	24,520.69	71,961.45	(234,091.76)	1,796.70	(143,693.49)	(243,316.78)	14,235.82	(126,143.27)	13,584.59	209,083.13	30,332.37	31,083.41	(376,862.34)

Revenue	(183,109.90)	(10,617.23)	(298,584.84)	(50,180.66)	(97,502.44)	(73,641.21)	(88,200.89)	(1,169,794.86)	(9,103.56)	(7,905,356.00)	(280,320.04)	(15,193.01)	(130,219.70)	(0.89)	(277,121.96)	(31.57)	(6.85)	(11,41)	(10,567,099.11)
Expenses	118,915.96	1,818.43	341,545.70	52,442.84	122,123.13	73,207.12	160,162.43	935,703.10	10,900.26	7,761,662.51	37,003.26	29,428.83	4,076.43	13,585.48	486,205.09	30,363.94	31,092.26	0.00	10,210,236.77
Net Change	(64,193.94)	(8,798.80)	(434.09)	44,960.86	2,262.18	24,520.69	71,961.45	(234,091.76)	1,796.70	(143,693.49)	(243,316.78)	14,235.82	(126,143.27)	13,584.59	209,083.13	30,332.37	31,083.41	(11,41)	(376,862.34)



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The Department of Housing and Urban Development (HUD) promotes decent, safe, and affordable housing for Americans and provides access to homeownership opportunities. This Budget reflects the President's commitment to fiscal responsibility while supporting critical functions that provide rental assistance to low-income and vulnerable households and help work-eligible families achieve self-sufficiency. The Budget also recognizes a greater role for State and local governments and the private sector to address community and economic development needs.

The President's 2018 Budget requests \$40.7 billion in gross discretionary funding for HUD, a \$6.2 billion or 13.2 percent decrease from the 2017 annualized CR level.

The President's 2018 Budget:

- Provides over \$35 billion for HUD's rental assistance programs and proposes reforms that reduce costs while continuing to assist 4.5 million low-income households.
- Eliminates funding for the Community Development Block Grant program, a savings of \$3 billion from the 2017 annualized CR level. The Federal Government has spent over \$150 billion on this block grant since its inception in 1974, but the program is not well-targeted to the poorest populations and has not demonstrated results. The Budget devolves community and economic development activities to the State and local level, and redirects Federal resources to other activities.
- Promotes fiscal responsibility by eliminating funding for a number of lower priority programs, including the HOME Investment Partnerships Program, Choice Neighborhoods, and the Self-help Homeownership Opportunity Program, a savings of over \$1.1 billion from the 2017 annualized CR level. State and local governments are better positioned to serve their communities based on local needs and priorities.
- Promotes healthy and lead-safe homes by providing \$130 million, an increase of \$20 million over the 2017 annualized CR level, for the mitigation of lead-based paint and other hazards in low-income homes, especially those in which children reside. This also funds enforcement, education, and research activities to further support this goal, all of which contributes to lower healthcare costs and increased productivity.

- Eliminates funding for Section 4 Capacity Building for Community Development and Affordable Housing, a savings of \$35 million from the 2017 annualized CR level. This program is duplicative of efforts funded by philanthropy and other more flexible private sector investments.
- Supports homeownership through provision of Federal Housing Administration mortgage insurance programs.



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Trump Administration Releases FY 2018 Budget Blueprint with Deep Cuts to HUD and Elimination of HOME



The Administration sent Congress this morning its Fiscal Year (FY) 2018 budget blueprint, "[America First: A Budget Blueprint to Make America Great Again.](#)" proposing deep cuts to the U.S. Department of Housing and Urban Development (HUD) and other federal agencies, with the exception of the Departments of Defense, Homeland Security, and Veterans Affairs, which would see funding increases. The Administration proposes to reduce the HUD budget by \$6.2 billion by eliminating the HOME Investment Partnerships (HOME) program and other community development programs and seeking cost savings in rental assistance programs. This confirms what we reported last week after several media outlets published information from [leaked Administration budget documents](#).

In his opening message in the budget blueprint, President Trump writes that his FY 2018 budget proposal, "reprioritizes Federal spending so that it advances the safety and security of the American people," and ensures that the proposed \$54 billion increase to defense spending does not increase the debt by making "targeted reductions elsewhere."

The Administration's budget blueprint—also referred to as the "skinny" budget—highlights FY 2018 discretionary funding proposals but does not include specific funding levels for many programs or detailed legislative proposals. The full budget request, to be released later this spring, is expected to include more program specifics as well as mandatory spending and tax policy proposals. NCSHA will provide a detailed analysis of the Administration's FY 2018 budget request when it is released.

The Administration's FY 2018 budget blueprint's housing proposals follow.

HUD Programs

The Administration proposes \$40.7 billion for HUD in FY 2018, a \$6.2 billion or 13.2 percent decrease from what the department would receive if the [current Continuing Resolution \(CR\) funding the department in FY 2017](#), which is set to expire on April 28, were annualized.

Overall, the blueprint identifies \$4.1 billion of the \$6.2 billion the Administration proposes to cut from HUD. These cuts are largely realized through proposals to eliminate HOME, the Community Development Block Grant (CDBG), Choice Neighborhoods, the Self-Help Homeownership Opportunity Program (SHOP), and Section 4 Capacity Building for Community Development and Affordable Housing programs. The blueprint refers to HOME, Choice Neighborhoods, and SHOP as “low-priority programs” and further justifies their elimination by saying, “state and local governments are better positioned to serve their communities based on local needs and priorities.”

The blueprint proposes \$35 billion for HUD's rental assistance programs and says HUD will pursue “reforms that reduce costs while continuing to assist 4.5 million low income households.” The blueprint does not specify which of HUD's rental assistance programs the Administration is referring to in its rental assistance funding proposal. See NCSHA's most recent budget chart for current funding of the various HUD rental assistance line items. The blueprint also does not specify the rental assistance reforms the Administration intends to propose or how these would realize cost savings. We expect these will be included in the full FY 2018 budget request to be released later this spring.

The blueprint proposes a funding increase for just one HUD program—Lead-Based Paint Hazard Reduction, for which it proposes \$130 million, an increase of \$20 million over the 2017 annualized CR level.

Finally, the blueprint indicates that the Administration will support homeownership through Federal Housing Administration mortgage insurance programs.

USDA Rural Housing Programs

The blueprint is largely silent on U.S. Department of Agriculture (USDA) Rural Housing Service programs but says it would, “reduce staffing in USDA's Service Center Agencies to streamline county office operations, reflect reduced Rural Development workload, and encourage private sector conservation planning.”

Treasury Department

The Administration proposes to eliminate funding for Community Development Financial Institutions (CDFI) Fund grants, stating that the CDFI Fund was, “created more than 20 years ago to jump-start a now mature industry where private institutions have ready access to the capital needed to extend credit and provide financial services to underserved communities.”

Veterans Affairs Department

As explained above, the blueprint does not detail HUD rental assistance programs but states that it will support, “VA programs that provide services to homeless and at-risk veterans and their families to help keep them safe and sheltered.”

Other Housing-Related Budget Proposals

The blueprint calls for the elimination of the United States Interagency Council on Homelessness, Neighborworks America, the Corporation for National and Community Service, the Low Income Home Energy Assistance Program (LIHEAP), and the Legal Services Corporation.

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Source URL: <https://www.ncsha.org/blog/trump-administration-releases-fy-2018-budget-blueprint-deep-cuts-hud-and-elimination-home>