



Board of Directors

Agenda Item

Administrative and Finance Committee

Chairman: Elton Lagasse

October 12, 2016

Table of Contents

Agenda 3

Minutes of the June 7, 2016 Administrative Committee Meeting 4

Discussion:

LHC Fiscal Year 2016-2017 Operating Budget. 6



Louisiana Housing Corporation

October 10, 2016

ADMINISTRATIVE AND FINANCE COMMITTEE MEETING

FINAL AGENDA

Notice is hereby given of a regular meeting of the Administrative and Finance Committee to be held on **Wednesday, October 12, 2016 @ 9:30 A.M.**, Louisiana Housing Corporation Building, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, Louisiana, by order of the Chairman.

1. Call to Order and Roll Call.
2. Approval of the **Minutes of the June 7, 2016 Administrative Committee Meeting.**
3. Discussion regarding **LHC Fiscal Year 2016-2017 Operating Budget.**
4. Discussion regarding contract between LHC and **National Housing Consultant Services.**
5. Other Business.
6. Adjournment.



Edselle Keith Cunningham, Jr.
LHC Interim Executive Director

If you require special services or accommodations, please contact
Board Coordinator and Secretary Barry E. Brooks at (225) 763 8773,
or via email bbrooks@lhc.la.gov.

Pursuant to the provisions of LSA-R.S. 42:16, upon two-thirds vote of the members present, the Board of Directors of the Louisiana Housing Corporation may choose to enter Executive Session, and by this notice, the Board reserves its right to go into Executive Session, as provided by law.

Administrative Committee Meeting Minutes
Wednesday, June 7, 2016
2415 Quail Drive
Committee Room 2
Baton Rouge, Louisiana 70808
1:00 P.M.

Committee Members Present

Chairman Elton Lagasse
Willie Rack
Donald B. Vallee
Gillis R. Windham

Committee Members Absent

Treasurer John Kennedy

Board Members Present

Lloyd S. "Buddy" Spillers

Board Members Absent

Michael T. Anderson
Tammy P. Earles
Larry Ferdinand
Jennifer Vidrine
Ellen M. Lee

Staff Present

E. Keith Cunningham, Jr.	Sarah Mulhearn
Brenda Evans	Loretta Wallace
Janel Young	Jatis Harrington
Nicole Sweazy	Collette Mathis
Christine Bratkowski	Natasha Joseph-Anderson
Leslie Strahan	Carlette Powell
Barry Brooks	

Others Present

See sign-in sheet

Minutes

Call to Order and Roll Call. The Administrative Committee Meeting was called to order by Committee Chairman Elton Lagasse at 1:00 p.m. The roll was called and a quorum was established.

Approval of Minutes. On a motion by Mr. Rack, which was seconded by Mr. Vallee, the minutes from the March 9, 2016 committee meeting were approved without correction.

Action Items.

- *Resolution adopting the LHC Operating Budget for the Fiscal Year Ending June 30, 2017 (labeled “Exhibit A”, entitled “Louisiana Housing Corporation Fiscal Year Ending June 30, 2017 Operating Budget”); providing for other matters in connection therewith.*

Mr. Lagasse introduced the resolution and an explanation of the resolution was provided by E. Keith Cunningham, Jr., Interim Executive Director. Mr. Cunningham explained that the Operating Budget is a living document and that there will be quarterly updates during the year. Additional discussion by each program manager followed. A motion was made by Mr. Vallee and seconded by Mr. Windham to favorably recommend the resolution to the Full Board for approval. The motion passed unanimously.

Adjournment.

There being no other items to discuss, Mr. Lagasse adjourned the meeting at 2:35 p.m.

Committee Secretary

Louisiana Housing Corporation

Fiscal Year 2017 Operating Budget Analysis

Quarter 1

At present, the corporation is not recommending any budget amendments. Operating revenues and expenses will continue to be monitored with monthly analysis, and if need be, budget amendments would be recommended to the board at the next regularly scheduled meeting following any updated projections resulting in the need for the recommendation.

Operating Revenues

- **Compliance Monitoring Fees** – are budgeted to be received in the 3rd quarter
- **Disaster Housing Fees** – are a direct correlation to expenses incurred
- **Energy Program Administrative Fees** – currently projected to meet budget
- **HOME/Natl Hsg Trust Fund Fees** - currently projected to meet budget
- **HUD Disposition Program Income** – currently projected to come in near budget, as Village de Jardin is projected at slightly over and Willowbrook slightly under
- **Investment/Interest Income** – this was not budgeted so as to add to reserves
- **LHA Supportive Housing Pgms** - currently projected to meet budget
- **Miscellaneous Income** - currently projected to meet budget
- **Multi-Family Issuer & MRB Fees** – these are annualized to reflect activity with the Multi-Family bond issues, which has increased
- **Multi-Family LIHTC & Risk Sharing Fees** – these were budgeted to be received in large part in the first quarter, but the funding round postponement shifts the projection of these receipts to the third and fourth quarters
- **Section 8 Contract Administration Fees** - currently projected to meet budget
- **Single Family Bond Deal Income** - currently projected to meet budget with the majority of receipts expected in the second and fourth quarters
- **Single Family Program Fees** - currently projected to meet budget

Operating Expenses

- **Auditing** – projected to meet budget
- **Building Bond Interest** – projected to meet budget
- **Building Expenses** – currently projected to meet budget
- **Human Resources** – Full Time Equivalent (FTE) count at the end of the quarter was 95, plus 3 part-time employees and 2 students; 110 FTEs were budgeted for the fiscal year; current projections reflect the expectation of gradually reaching the level of 110 budgeted FTEs over the remaining course of the fiscal year
- **Legal** – currently projected to meet budget
- **Operating Services** – currently projected to meet budget
- **Professional Services** – currently projected to meet budget
- **Supplies** – currently projected to meet budget
- **Travel & Training** – currently projected to meet budget

Louisiana Housing Corporation
Fiscal Year 2017 Operating Budget Analysis
Quarter 1

	<u>Actual</u>	<u>Budget</u>	<u>Projected Actual</u>	<u>Projected Variance</u>
<u>Operating Revenues</u>				
Compliance Monitoring Fees	965	213,723	213,723	0
Disaster Housing	412,934	2,232,353	2,070,027	(162,325)
Energy Program Administrative Fees	117,751	1,325,383	1,325,383	0
HOME/Natl Hsg Trust Fund Fees	0	903,821	903,821	0
HUD Disposition Program Income	442,568	1,955,116	1,955,349	233
Investment/Interest Income	58,472	0	98,472	98,472
LHA/Supportive Housing Pgms	204,477	1,837,355	1,837,355	0
Miscellaneous Income	3,199	6,000	6,000	0
Multi-Family Issuer & MRB Fees	36,196	265,070	270,154	5,084
Multi-Family LIHTC & Risk Sharing Fees	120,211	1,107,001	1,107,001	0
Section 8 Contract Administration Fees	792,933	3,156,300	3,156,300	0
Single Family Bond Deal Income	33,520	846,990	846,990	0
Single Family Programs Fees	168,628	553,904	553,904	0
Total Operating Revenues	2,391,853	14,403,016	14,344,479	(58,536)
<u>Operating Expenses</u>				
Auditing	116,120	222,500	222,500	0
Building Bond Interest	0	13,569	13,569	0
Building Expenses	67,381	357,727	357,727	0
Human Resources	2,256,752	10,391,632	10,095,902	(295,730)
Legal	9,675	100,000	100,000	0
Operating Services	370,777	1,254,026	1,254,026	0
Professional Services	305,194	1,425,459	1,425,459	0
Supplies	9,646	100,150	100,150	0
Travel & Training	21,729	315,245	315,245	0
Total Operating Expenses	3,157,273	14,180,308	13,884,578	(295,730)
Net Operating Income/(Loss)	(765,420)	222,708	459,901	237,193