



**Traverse City  
Housing Commission**  
*a Public Housing Authority*

# **COMMISSION MEETING MATERIAL**

**FOR THE REGULAR MEETING**

Friday, November 30, 2018 at 8:00 A.M.

**LOCATION:**

**SECOND FLOOR COMMITTEE ROOM – GOVERNMENTAL CENTER**  
400 Boardman Avenue, Traverse City, Michigan, 49684



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**Traverse City  
Housing Commission**  
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# **MEETING AGENDA**

November 30, 2018



## TRAVERSE CITY HOUSING COMMISSION

150 Pine Street, Traverse City, Michigan, 49684

T: (231) 922-4915 | F: (231) 922-2893

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TCHousing.org

## **NOTICE**

**THE TRAVERSE CITY HOUSING COMMISSION WILL CONDUCT A REGULAR MEETING  
ON FRIDAY, NOVEMBER 30, 2018 AT 8:00 A.M.**

**SECOND FLOOR COMMITTEE ROOM – GOVERNMENTAL CENTER**

400 Boardman Avenue, Traverse City, Michigan, 49684

(231) 995-5150

**POSTED: NOVEMBER 28, 2018**

*The Traverse City Housing Commission does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. Please, contact the Traverse City Housing Commission Office, 150 Pine Street, Traverse City, Michigan, 49684, (231) 922-4915, to coordinate specific needs in compliance with the non-discrimination requirements continued in Section 35.087 of the Department of Justice Regulations. Information concerning the provisions of Americans with Disabilities Act (ADA), and the rights provided hereunder, are available from the ADA Coordinator. If you are planning to attend and you have a disability requiring any special assistance at the meeting, please notify the Executive Director immediately.*

## **AGENDA**

### **I CALL TO ORDER & ROLL CALL**

### **II APPROVAL OF AGENDA**

### **III PUBLIC COMMENT**

### **IV CONSENT AGENDA**

The purpose of the Consent Agenda is to expedite business by grouping non-controversial items together to be dealt with by one Commission motion without discussion. Any member of the Commission, staff or the public may ask that any item on the Consent Agenda be removed from and placed elsewhere on the agenda for full discussion. Such requests will automatically be respected. If an item is not removed from the Consent Agenda the action noted on the Agenda is approved by a single Commission action adopting the Consent Agenda (*all items on the Consent Agenda are printed in italics*).

- A. *Consideration of Approval of October 26, 2018 Regular Meeting Minutes: Approval Recommended.*
- B. *Consideration of Approval of Schedule of Disbursements for October 2018 for Public Housing & HCV / Section 8 Programs: Approval Recommended.*
- C. *Review & Approval of Payment of Invoices for November 2018: Approval Recommended.*
- D. *Review & Acceptance of Financial Statements for October 2018: Approval Recommended.*

**V COMMITTEE & COMMISSIONER REPORTS**

- A. Governance Committee Meeting: November 20, 2018

**VI STAFF & PROGRAM REPORTS**

- A. Executive Director's Report: November 2018
- B. Family Self-Sufficiency (FSS) Program Report: November 2018
- C. Resident Council Report: November 2018

**VII OLD BUSINESS**

- A. 2019 Consolidated Budget: Review of October 2018
- B. TCHC Policy Review Schedule: Review
- C. Executive Director Review: Update on Goals – December Study Session
- D. RAD: Memorandum on Resident Follow-up Discussions

**VIII NEW BUSINESS**

- A. Discussion & Acceptance of Fiscal Year 2018 Annual Audit: Action Required
- B. Memorandum on 2019 Calendar of Meetings: Action Required
- C. Resolution to Adopt Pest Control Policy: Action Recommended
- D. Preliminary Discussion on TCHC Property: No Action Recommended

**IX CORRESPONDENCE**

- A. November 16, 2018 Letter from TCHC to Smith & Klaczkiwicz, PC
- B. November 26, 2018 Record Eagle Article on New Commissioners
- C. November 26, 2018 Letter from Pine Street Development One, LLC
- D. November 27, 2018 Letter from DDA on Riverwalk Project

**X PUBLIC COMMENT**

**XI COMMISSIONER COMMENT**

**XII ADJOURNMENT**

**NEXT SCHEDULED MEETING:** Friday, January 25, 2019 at 8:00 A.M.



**Traverse City  
Housing Commission**  
*a Public Housing Authority*

## **CONSENT AGENDA**

October 26, 2018 Regular Meeting Minutes

Schedule of Disbursements for October 2018 for Public Housing & HCV Section 8 Programs

Payment of Invoices for November 2018

Financial Statements for October 2018

## **DRAFT Meeting Minutes of the Traverse City Housing Commission**

### **October 26, 2018**

A Regular Meeting of the Traverse City Housing Commission was called to order by President Andy Smits at the Governmental Center – Second Floor Committee Room, 400 Boardman Avenue, Traverse City, Michigan at 8:00 A.M.

#### **I ROLL CALL**

The following Commissioners were present: Andy Smits, Heather Lockwood, Kay Serratelli, and Jim Friend.

Staff: Tony Lentych, Executive Director, and Michelle Reardon, Deputy Director.

Residents: Jo Simerson and Norma Loper.

#### **II APPROVAL OF AGENDA**

Commissioner Serratelli moved (Lockwood support) to accept the agenda as presented. The motion was unanimously approved.

#### **III PUBLIC COMMENT**

None.

#### **IV CONSENT AGENDA**

Commissioner Friend moved (Lockwood support) to approve the Consent Agenda as with a typographical change in the regular meeting minutes of September 28, 2018 as presented in the October 26, 2018 packet. The motion was unanimously approved.

The Consent Agenda was as follows:

- A. Meeting Minutes of the September 28, 2018 Regular Commission Meeting.
- B. Schedule of Disbursements for September 2018 for Public Housing and Housing Choice Voucher / Section 8 Programs.
- C. Payment of Invoices for October 2018.
- D. Financial Statements for September 2018.

#### **V COMMITTEE REPORTS**

- A. The meeting minutes from the October 18, 2018 Governance Committee meeting were presented and briefly discussed.

#### **VI STAFF AND PROGRAM REPORTS**

- A. The Executive Director's October 2018 Report was presented. There was a lengthy discussion on several topics from this report and a full update on East Bay Flats was given.
- B. The October 2018 Family Self-Sufficiency Report was presented. Staff noted that the Notice of Funding Availability (NOFA) for 2019 has not been released to date.
- C. The October 2018 Resident Council Report was presented.

#### **VII OLD BUSINESS**

- A. The 2019 Consolidated Budget was presented and reviewed.

- B. TCHC Policy Review Schedule was presented and reviewed.
- C. There is no update on the Executive Director Goals.
- D. Staff presented a memo regarding the RAD Resident Information Notice and Follow-up Information. Staff will continue to hold resident meetings monthly on the third Thursday of the month at 9:00 AM.

**VIII     NEW BUSINESS**

- A. A memorandum regarding a Resolution to Change Authorized Signers on All Accounts was presented and discussed. Commissioner Friend moved (Serratelli support) to adopt the Resolution to Change Authorized Signers on All Accounts as presented.

**Roll Call**

Serratelli	Yes
Smits	Yes
Lockwood	Yes
Friend	Yes

The resolution was adopted.

**IX     CORRESPONDENCE**

Three items of correspondence were presented and accepted.

**X     PUBLIC COMMENT**

General Comment: Jo Simerson and Norma Loper.

**XI     COMMISSIONER COMMENT**

Commissioner Smits thanked the Commissioner Serratelli for her years of service on the Traverse City Housing Commission and presented her with a plaque as a small token of appreciation for her work.

Commissioner Serratelli thanked the Board and spoke about her time on the Commission.

**XII     ADJOURNMENT**

Commissioner Lockwood moved (Friend support) to adjourn the meeting. The motion was approved and President Smits closed the meeting at 9:19 AM.

Respectfully submitted,

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Michelle Reardon, Recording Secretary

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Andy Smits, President



Traverse City Housing Commission  
**Check Register Summary Report**  
Chemical Bank  
From: 10/01/2018 To: 10/31/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
10/01/2018	ADJST	U.S. Dept. of HUD		239.00	3,153.05
10/01/2018	DEP			6,190.45	9,343.50
10/01/2018	DEP			281.60	9,625.10
10/02/2018	EFT	T Mobile		2,333.98	11,959.08
10/02/2018	DEP			7,659.62	19,618.70
10/03/2018	DEP	U.S. Dept. of HUD		5,602.00	25,220.70
10/03/2018	DEP	U.S. Dept. of HUD		21,167.50	46,388.20
10/03/2018	DEP			9,194.00	55,582.20
10/03/2018	DEP			5,773.00	61,355.20
10/05/2018	DEP			6,086.00	67,441.20
10/08/2018	DEP			5,672.63	73,113.83
10/09/2018	ADJST	Alisa Kroupa	1,275.29		71,838.54
10/09/2018	ADJST	Anthony Lentych	2,412.46		69,426.08
10/09/2018	ADJST	Michelle Reardon	1,428.10		67,997.98
10/09/2018	ADJST	Angela N. Szabo	949.48		67,048.50
10/09/2018	ADJST	Joseph Battaglia	298.52		66,749.98
10/09/2018	ADJST	Charles Edwards	897.29		65,852.69
10/09/2018	ADJST	David Gourlay	974.50		64,878.19
10/09/2018	ADJST	Kenneth Sands	983.26		63,894.93
10/09/2018	ADJST	Benjamin Weston	385.98		63,508.95
10/09/2018	ADJST	Chemical Bank	183.57		63,325.38
10/10/2018	DEP			393.42	63,718.80
10/12/2018	EFT	Internal Revenue Service	2,820.71		60,898.09
10/12/2018	038305	SAM'S CLUB	1,197.02		59,701.07
10/12/2018	038306	City of Traverse City, Treasurer's	25,226.86		34,474.21
10/12/2018	038307	Cardmember Service	720.10		33,754.11
10/12/2018	038308	Environmental Pest Control	235.00		33,519.11
10/12/2018	038309	A T & T	280.90		33,238.21
10/12/2018	038310	Traverse Outdoor	76.00		33,162.21
10/12/2018	038311	Aflac	217.10		32,945.11
10/12/2018	038312	Integrated Payroll Services, Inc.	112.90		32,832.21
10/12/2018	038313	AmRent	53.10		32,779.11
10/12/2018	038314	City Of Traverse City	191.50		32,587.61
10/12/2018	038315	CynergyComm.net,Inc	8.72		32,578.89
10/12/2018	038316	Great Lakes Business Systems, Inc.	205.43		32,373.46
10/12/2018	038317	Kuhn Rogers PLC	619.00		31,754.46
10/12/2018	038318	Northern Greenlawn	213.00		31,541.46
10/12/2018	038319	Barton Carroll's Inc	1,513.17		30,028.29
10/12/2018	038320	Stricker's Outdoor Power Equipment	576.00		29,452.29
10/12/2018	038321	City Of Traverse City	91.11		29,361.18

Traverse City Housing Commission  
**Check Register Summary Report**  
Chemical Bank  
From: 10/01/2018 To: 10/31/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
10/12/2018	038322	City Of Traverse City	62.59		29,298.59
10/12/2018	038323	Ace Welding & Machine Inc	185.00		29,113.59
10/12/2018	038324	Ace Hardware	25.87		29,087.72
10/12/2018	038325	Holiday Fleet	15.53		29,072.19
10/12/2018	038326	The Trophy Trolley Inc.	50.00		29,022.19
10/12/2018	038327	Grand Traverse Cty. Treasurer	53.43		28,968.76
10/12/2018	038328	Total Attention	670.00		28,298.76
10/12/2018	038329	Spectrum Business	184.98		28,113.78
10/12/2018	038330	Kendall Electric Inc	20.45		28,093.33
10/12/2018	038331	TC Millworks	145.00		27,948.33
10/12/2018	038332	Kenneth Sands	57.78		27,890.55
10/12/2018	038333	Charles Edwards	214.92		27,675.63
10/12/2018	038334	Housing Authority Accounting	1,099.41		26,576.22
10/12/2018	038335	Byte Productions, LLC	30.00		26,546.22
10/12/2018	038336	David Gourlay	179.65		26,366.57
10/12/2018	038337	City of Traverse City, Treasurer's	380.18		25,986.39
10/12/2018	038338	MailFinance	149.85		25,836.54
10/12/2018	038339	Verizon Wireless	42.50		25,794.04
10/12/2018	038340	A T & T	320.76		25,473.28
10/12/2018	038341	Save Carpet USA	5,542.00		19,931.28
10/12/2018	038342	Spectrum Business	3,289.48		16,641.80
10/12/2018	038343	McCardel Water Conditioning	26.50		16,615.30
10/12/2018	038344	Allen Supply	416.50		16,198.80
10/12/2018	038345	Grand Traverse County DPW	483.00		15,715.80
10/12/2018	038346	Housing Data Systems	100.00		15,615.80
10/12/2018	038347	Linda Hazimi	262.00		15,353.80
10/12/2018	038348	City Of Traverse City	101.50		15,252.30
10/12/2018	038349	DTE ENERGY	43.50		15,208.80
10/15/2018	DEP			855.00	16,063.80
10/16/2018	038350	Riverview Terrace Resident Council	150.00		15,913.80
10/18/2018	EFT	Principal Life Insurance Co.	732.96		15,180.84
10/18/2018	EFT	Principal Life Insurance Co.	732.96		14,447.88
10/18/2018	EFT	Principal Life Insurance Co.	732.96		13,714.92
10/18/2018	EFT	Principal Life Insurance Co.	732.96		12,981.96
10/18/2018	ADJST			( 354.00)	12,627.96
10/18/2018	ADJST		10.00		12,617.96
10/22/2018	EFT	State Of Michigan	897.19		11,720.77
10/23/2018	ADJST	Alisa Kroupa	1,275.29		10,445.48
10/23/2018	ADJST	Anthony Lentych	2,412.48		8,033.00
10/23/2018	ADJST	Michelle Reardon	1,428.12		6,604.88

# Check Register Summary Report

Chemical Bank

From: 10/01/2018 To: 10/31/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
10/23/2018	ADJST	Angela N. Szabo	949.49		5,655.39
10/23/2018	ADJST	Joseph Battaglia	257.90		5,397.49
10/23/2018	ADJST	Charles Edwards	979.49		4,418.00
10/23/2018	ADJST	David Gourlay	974.51		3,443.49
10/23/2018	ADJST	Kenneth Sands	983.26		2,460.23
10/23/2018	ADJST	Benjamin Weston	380.52		2,079.71
10/23/2018	ADJST	Chemical Bank	183.57		1,896.14
10/23/2018	EFT	Principal Life Insurance Co.	732.96		1,163.18
10/23/2018	EFT	Principal Life Insurance Co.	550.00		613.18
10/25/2018	DEP			2,622.00	3,235.18
10/25/2018	DEP			537.90	3,773.08
10/26/2018	EFT	Internal Revenue Service	2,835.13		937.95
10/29/2018	DEP			2,035.66	2,973.61
10/29/2018	038351	SAM'S CLUB	293.44		2,680.17
10/29/2018	038352	Home Depot Credit Services	899.78		1,780.39
10/29/2018	038353	Collier's Pest Control	350.00		1,430.39
10/29/2018	038354	Republic Services #239	655.95		774.44
10/29/2018	038355	The Trophy Trolley Inc.	95.80		678.64
10/29/2018	038356	DTE ENERGY	168.50		510.14
10/29/2018	038357	Priority Health	4,401.81		( 3,891.67)
10/29/2018	038358	Northern Greenlawn	213.00		( 4,104.67)
10/29/2018	038359	Grand Traverse Cty. Treasurer	53.43		( 4,158.10)
10/31/2018	ADJST	Chemical Bank		14.42	( 4,143.68)
<b>Total:</b>			83,361.91	76,304.18	

Traverse City Housing Commission  
**Check Register Summary Report**  
PNC - Section 8  
From: 10/01/2018 To: 10/31/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
10/01/2018	ADJUST	PNC Bank	73.35		89,299.14
10/01/2018	DEP	U.S. Dept. of HUD		86,018.00	175,317.14
10/01/2018	EFT	U.S. Dept. of HUD		7,358.00	182,675.14
10/01/2018	DEP			80.00	182,755.14
10/01/2018	000220	TC Commons I LDHA, LLC	263.00		182,492.14
10/01/2018	000220	Jeana Aiken	386.00		182,106.14
10/01/2018	000220	Dustin Ansorge	1,248.00		180,858.14
10/01/2018	000220	Anthony Ansorge	796.00		180,062.14
10/01/2018	000220	Ayers Investment Properties LLC	575.00		179,487.14
10/01/2018	000220	Brad Barnes	503.00		178,984.14
10/01/2018	000220	Bay Front Apartments	322.00		178,662.14
10/01/2018	000220	Bay Hill Housing LDHALP	6,151.00		172,511.14
10/01/2018	000220	Bay Hill II	7,638.00		164,873.14
10/01/2018	000220	Elizabeth Beckett	312.00		164,561.14
10/01/2018	000220	Bellaire Senior Apartments	351.00		164,210.14
10/01/2018	000220	Brookside Commons LDHA, LP	2,592.00		161,618.14
10/01/2018	000220	Brown Elder Apartments LLC	117.00		161,501.14
10/01/2018	000220	Irma Jean Brownley	535.00		160,966.14
10/01/2018	000220	Rebecca Carmien	358.00		160,608.14
10/01/2018	000220	Carson Square	5,648.00		154,960.14
10/01/2018	000220	Chris R. Frank	1,192.00		153,768.14
10/01/2018	000220	Central Lake Townhouses	395.00		153,373.14
10/01/2018	000220	Cherrywood Village Farms, Inc.	1,741.00		151,632.14
10/01/2018	000220	Douglas A. Chichester	615.00		151,017.14
10/01/2018	000220	Davis Investment Properties, LLC	640.00		150,377.14
10/01/2018	000220	Jack V. Dean	417.00		149,960.14
10/01/2018	000220	Zachary Duell	1,200.00		148,760.14
10/01/2018	000220	Shirley Farrell	827.00		147,933.14
10/01/2018	000220	Five P Enterprises, LLC	466.00		147,467.14
10/01/2018	000220	Rent Leelanau, LLC	786.00		146,681.14
10/01/2018	000220	Lisa Forbes	531.00		146,150.14
10/01/2018	000220	Mabel Foust	446.00		145,704.14
10/01/2018	000220	Michael Glowacki	707.00		144,997.14
10/01/2018	000220	David Grzesiek	395.00		144,602.14
10/01/2018	000220	Habitat for Humanity	340.00		144,262.14
10/01/2018	000220	Matthew Hamminga	1,200.00		143,062.14
10/01/2018	000220	Harbour Ridge Apts	1,190.00		141,872.14
10/01/2018	000220	Leonard Herman	521.00		141,351.14
10/01/2018	000220	Hillview Terrace	1,840.00		139,511.14
10/01/2018	000220	Josh Hollister	396.00		139,115.14

Traverse City Housing Commission  
**Check Register Summary Report**  
PNC - Section 8  
From: 10/01/2018 To: 10/31/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
10/01/2018	000220	HomeStretch	3,151.00		135,964.14
10/01/2018	000220	Nancy Irish	572.00		135,392.14
10/01/2018	000220	Donna Kalchik	304.00		135,088.14
10/01/2018	000220	Kalkaska Woods Limited Partnership	301.00		134,787.14
10/01/2018	000220	Bruce W. Korson	427.00		134,360.14
10/01/2018	000220	Lake Pointe Acquisitions LLC.	315.00		134,045.14
10/01/2018	000220	Sidney Lammers	372.00		133,673.14
10/01/2018	000220	John J. Lewis	746.00		132,927.14
10/01/2018	000220	Don E. Lint	504.00		132,423.14
10/01/2018	000220	Maret Sabourin	553.00		131,870.14
10/01/2018	000220	Meadowrun-Mancelona Rd 207 LHDA	471.00		131,399.14
10/01/2018	000220	Robert J. Mork	371.00		131,028.14
10/01/2018	000220	Kim Lien Thi Nguyen	1,948.00		129,080.14
10/01/2018	000220	Oak Park Apts	1,429.00		127,651.14
10/01/2018	000220	Oak Terrace Apts	713.00		126,938.14
10/01/2018	000220	Daniel G. Pohlman	1,117.00		125,821.14
10/01/2018	000220	Douglas L. Porter	418.00		125,403.14
10/01/2018	000220	Punta Gorda Housing Authority	798.38		124,604.76
10/01/2018	000220	Timothy Rice	349.00		124,255.76
10/01/2018	000220	Sabin Pond Apartments LLC	113.00		124,142.76
10/01/2018	000220	Eldon Schaub	384.00		123,758.76
10/01/2018	000220	Mike & Melissa Schichtel	620.00		123,138.76
10/01/2018	000220	Melanie Schmid	1,092.00		122,046.76
10/01/2018	000220	Samuel Shore	986.00		121,060.76
10/01/2018	000220	Gerald Sieggreen	697.00		120,363.76
10/01/2018	000220	SILVER SHORES MHC	1,830.00		118,533.76
10/01/2018	000220	Douglas & Julia Slack	320.00		118,213.76
10/01/2018	000220	22955 Investments LLC	2,507.00		115,706.76
10/01/2018	000220	Traverse City Property Management	454.00		115,252.76
10/01/2018	000220	TCR Investments, LLC	611.00		114,641.76
10/01/2018	000220	Wendy Teagan	502.00		114,139.76
10/01/2018	000220	TEAMCO PROPERTIES	651.00		113,488.76
10/01/2018	000220	TOS Holdings, LLC	1,563.00		111,925.76
10/01/2018	000220	Tradewinds Terrace Apts	249.00		111,676.76
10/01/2018	000220	Village Apartments LDHA	535.00		111,141.76
10/01/2018	000220	Village Glen Apartments	7,298.00		103,843.76
10/01/2018	000220	Village View Housing LHDA LP	1,188.00		102,655.76
10/01/2018	000220	Village Woods	804.00		101,851.76
10/01/2018	000220	Wagner Asset Group at Ninth Street,	734.00		101,117.76
10/01/2018	000220	Paul Wheelock	602.00		100,515.76

## Check Register Summary Report

PNC - Section 8

From: 10/01/2018 To: 10/31/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
10/01/2018	000220	Woda Boardman Lake LDHA.LP	2,031.00		98,484.76
10/01/2018	000220	Woodland Shores Properties, LLC	337.00		98,147.76
10/01/2018	000220	Woodmere Ridge Apartments LDHA	5,028.00		93,119.76
10/01/2018	000220	Wyatt Road Apartment Company	573.00		92,546.76
10/01/2018	000220	Theodore V. Zachman	876.00		91,670.76
10/01/2018	000220	Barb Zupin	500.00		91,170.76
10/05/2018	DEP			100.00	91,270.76
10/15/2018	DEP			30,427.76	121,698.52
10/29/2018	023098	Traverse City Housing Commission	7,735.75		113,962.77
10/29/2018	023099	City Of Traverse City	189.70		113,773.07
10/29/2018	023100	Consumers Energy	13.00		113,760.07
10/29/2018	023101	DTE ENERGY	292.30		113,467.77
10/29/2018	023102	Lisa L. Forbes	14.00		113,453.77
Total:			99,902.48	123,983.76	

Traverse City Housing Commission  
**Check Register Summary Report**  
Chemical Bank  
From: 11/01/2018 To: 11/28/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
11/01/2018	DEP			3,877.24	( 266.44)
11/01/2018	DEP			6,437.95	6,171.51
11/02/2018	EFT	T Mobile		2,333.98	8,505.49
11/02/2018	DEP			9,282.00	17,787.49
11/06/2018	ADJST	Alisa Kroupa	1,275.29		16,512.20
11/06/2018	ADJST	Anthony Lentych	2,412.47		14,099.73
11/06/2018	ADJST	Michelle Reardon	1,428.11		12,671.62
11/06/2018	ADJST	Angela N. Szabo	949.49		11,722.13
11/06/2018	ADJST	Joseph Battaglia	298.51		11,423.62
11/06/2018	ADJST	Charles Edwards	860.77		10,562.85
11/06/2018	ADJST	David Gourlay	991.64		9,571.21
11/06/2018	ADJST	Kenneth Sands	983.26		8,587.95
11/06/2018	ADJST	Benjamin Weston	353.19		8,234.76
11/06/2018	ADJST	Chemical Bank	183.57		8,051.19
11/06/2018	DEP			27,342.83	35,394.02
11/06/2018	EFT	Principal Life Insurance Co.	732.96		34,661.06
11/09/2018	EFT	Internal Revenue Service	2,803.01		31,858.05
11/09/2018	DEP			8,873.75	40,731.80
11/09/2018	038360	Wilmar	271.64		40,460.16
11/09/2018	038361	Staples Business Advantage	88.13		40,372.03
11/09/2018	038362	Summit Companies	1,734.51		38,637.52
11/09/2018	038363	Ace Hardware	77.84		38,559.68
11/09/2018	038364	Phada	665.00		37,894.68
11/09/2018	038365	Safety Net	824.67		37,070.01
11/09/2018	038366	Save Carpet USA	7,803.00		29,267.01
11/09/2018	038367	Nan McKay & Associates Inc	423.00		28,844.01
11/09/2018	038368	Northern Michigan Janitorial Supply	125.90		28,718.11
11/09/2018	038369	Barton Carroll's Inc	790.00		27,928.11
11/09/2018	038370	Housing Data Systems	4,290.00		23,638.11
11/09/2018	038371	Northwest Lock, Inc.	40.45		23,597.66
11/09/2018	038372	Thomas P. Licavoli	2,640.00		20,957.66
11/09/2018	038373	City Of Traverse City	8,840.29		12,117.37
11/09/2018	038374	Spectrum Business	184.98		11,932.39
11/09/2018	038375	Verizon Wireless	35.06		11,897.33
11/09/2018	038376	City of Traverse City, Treasurer's	380.18		11,517.15
11/09/2018	038377	Byte Productions, LLC	30.00		11,487.15
11/09/2018	038378	Charles Edwards	219.24		11,267.91
11/09/2018	038379	Kenneth Sands	19.98		11,247.93
11/09/2018	038380	Housing Authority Accounting	1,234.41		10,013.52
11/09/2018	038381	Engineered Protection Systems Inc	127.26		9,886.26

## Check Register Summary Report

Chemical Bank

From: 11/01/2018 To: 11/28/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
11/09/2018	038382	Traverse City Area Chamber of	187.50		9,698.76
11/09/2018	038383	John DeWeese	91.52		9,607.24
11/09/2018	038384	Angela Szabo	156.06		9,451.18
11/09/2018	038385	Spectrum Business	3,287.38		6,163.80
11/09/2018	038386	A T & T	322.17		5,841.63
11/09/2018	038387	David Gourlay	56.70		5,784.93
11/09/2018	038388	Great Lakes Business Systems, Inc.	166.60		5,618.33
11/09/2018	038389	City Of Traverse City	36.07		5,582.26
11/09/2018	038390	McCardel Water Conditioning	19.50		5,562.76
11/09/2018	038391	Grand Traverse County DPW	483.00		5,079.76
11/12/2018	DEP			32,658.68	37,738.44
11/12/2018	038392	Otis Elevator Company	1,002.50		36,735.94
11/12/2018	038393	McGough's	1,990.00		34,745.94
11/12/2018	038394	Total Attention	2,270.00		32,475.94
11/12/2018	038395	DeWeese Hardware	80.23		32,395.71
11/12/2018	038396	Environmental Pest Control	570.00		31,825.71
11/12/2018	038397	Snap Printing	157.23		31,668.48
11/12/2018	038398	CynergyComm.net,Inc	10.60		31,657.88
11/12/2018	038399	Housing Data Systems	145.00		31,512.88
11/12/2018	038400	Aflac	217.10		31,295.78
11/12/2018	038401	DTE ENERGY	101.50		31,194.28
11/12/2018	038402	Cardmember Service	1,719.76		29,474.52
11/12/2018	038403	Integrated Payroll Services, Inc.	112.90		29,361.62
11/12/2018	038404	City Of Traverse City	48.86		29,312.76
11/12/2018	038405	AmRent	159.30		29,153.46
11/12/2018	038406	Keiser Services LLC	100.00		29,053.46
11/12/2018	038407	Republic Services #239	748.92		28,304.54
11/12/2018	038408	City Of Traverse City	107.10		28,197.44
11/12/2018	038409	DTE ENERGY	45.90		28,151.54
11/13/2018	038410	Networks Northwest	250.00		27,901.54
11/20/2018	EFT	State Of Michigan	912.40		26,989.14
11/20/2018	ADJST	Alisa Kroupa	1,275.29		25,713.85
11/20/2018	ADJST	Anthony Lentych	2,412.47		23,301.38
11/20/2018	ADJST	Michelle Reardon	1,428.12		21,873.26
11/20/2018	ADJST	Angela N. Szabo	949.50		20,923.76
11/20/2018	ADJST	Joseph Battaglia	298.52		20,625.24
11/20/2018	ADJST	Charles Edwards	1,006.88		19,618.36
11/20/2018	ADJST	David Gourlay	1,003.05		18,615.31
11/20/2018	ADJST	Kenneth Sands	983.26		17,632.05
11/20/2018	ADJST	Benjamin Weston	402.38		17,229.67



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Traverse City Housing Commission  
**Check Register Summary Report**  
Chemical Bank  
From: 11/01/2018 To: 11/28/2018

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Date	Ref Num	Payee	Payment	Deposit	Balance
11/20/2018	ADJST	Chemical Bank	183.57		17,046.10
11/20/2018	EFT	Principal Life Insurance Co.	732.96		16,313.14
11/23/2018	ADJST	Internal Revenue Service	2,875.45		13,437.69
11/27/2018	DEP			11,584.08	25,021.77
11/27/2018	DEP			651.25	25,673.02
Total:			73,225.06	103,041.76	

Traverse City Housing Commission  
**Check Register Summary Report**  
PNC - Section 8  
From: 11/01/2018 To: 11/28/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
11/01/2018	ADJST	PNC Bank	73.35		113,380.42
11/01/2018	EFT	U.S. Dept. of HUD		8,052.00	121,432.42
11/01/2018	EFT	U.S. Dept. of HUD		84,052.00	205,484.42
11/01/2018	DEP			80.00	205,564.42
11/01/2018	000221	TC Commons I LDHA, LLC	258.00		205,306.42
11/01/2018	000221	Jeana Aiken	386.00		204,920.42
11/01/2018	000221	Dustin Ansorge	1,248.00		203,672.42
11/01/2018	000221	Anthony Ansorge	796.00		202,876.42
11/01/2018	000221	Ayers Investment Properties LLC	728.00		202,148.42
11/01/2018	000221	Brad Barnes	503.00		201,645.42
11/01/2018	000221	Bay Front Apartments	322.00		201,323.42
11/01/2018	000221	Bay Hill Housing LDHALP	5,515.00		195,808.42
11/01/2018	000221	Bay Hill II	7,715.00		188,093.42
11/01/2018	000221	Elizabeth Beckett	312.00		187,781.42
11/01/2018	000221	Bellaire Senior Apartments	351.00		187,430.42
11/01/2018	000221	Brookside Commons LDHA, LP	2,982.00		184,448.42
11/01/2018	000221	Brown Elder Apartments LLC	117.00		184,331.42
11/01/2018	000221	Irma Jean Brownley	535.00		183,796.42
11/01/2018	000221	Rebecca Carmien	288.00		183,508.42
11/01/2018	000221	Carson Square	5,648.00		177,860.42
11/01/2018	000221	Chris R. Frank	899.00		176,961.42
11/01/2018	000221	Central Lake Townhouses	395.00		176,566.42
11/01/2018	000221	Cherrywood Village Farms, Inc.	2,849.00		173,717.42
11/01/2018	000221	Douglas A. Chichester	615.00		173,102.42
11/01/2018	000221	Davis Investment Properties, LLC	640.00		172,462.42
11/01/2018	000221	Jack V. Dean	417.00		172,045.42
11/01/2018	000221	Zachary Duell	1,200.00		170,845.42
11/01/2018	000221	Shirley Farrell	827.00		170,018.42
11/01/2018	000221	Five P Enterprises, LLC	466.00		169,552.42
11/01/2018	000221	Lisa Forbes	531.00		169,021.42
11/01/2018	000221	Mabel Foust	446.00		168,575.42
11/01/2018	000221	Michael Glowacki	707.00		167,868.42
11/01/2018	000221	David Grzesiek	395.00		167,473.42
11/01/2018	000221	Habitat for Humanity	340.00		167,133.42
11/01/2018	000221	Matthew Hamminga	1,200.00		165,933.42
11/01/2018	000221	Harbour Ridge Apts	1,190.00		164,743.42
11/01/2018	000221	Leonard Herman	521.00		164,222.42
11/01/2018	000221	Hillview Terrace	1,928.00		162,294.42
11/01/2018	000221	Josh Hollister	403.00		161,891.42
11/01/2018	000221	HomeStretch	3,420.00		158,471.42

Traverse City Housing Commission  
**Check Register Summary Report**  
PNC - Section 8  
From: 11/01/2018 To: 11/28/2018

Date	Ref Num	Payee	Payment	Deposit	Balance
11/01/2018	000221	Nancy Irish	572.00		157,899.42
11/01/2018	000221	Donna Kalchik	304.00		157,595.42
11/01/2018	000221	Kalkaska Woods Limited Partnership	301.00		157,294.42
11/01/2018	000221	Bruce W. Korson	427.00		156,867.42
11/01/2018	000221	Lake Pointe Acquisitions LLC.	315.00		156,552.42
11/01/2018	000221	Sidney Lammers	372.00		156,180.42
11/01/2018	000221	John J. Lewis	310.00		155,870.42
11/01/2018	000221	Don E. Lint	504.00		155,366.42
11/01/2018	000221	Maret Sabourin	514.00		154,852.42
11/01/2018	000221	Meadowrun-Mancelona Rd 207 LHDA	471.00		154,381.42
11/01/2018	000221	Robert J. Mork	371.00		154,010.42
11/01/2018	000221	Kim Lien Thi Nguyen	974.00		153,036.42
11/01/2018	000221	Oak Park Apts	1,317.00		151,719.42
11/01/2018	000221	Oak Terrace Apts	713.00		151,006.42
11/01/2018	000221	Daniel G. Pohlman	1,117.00		149,889.42
11/01/2018	000221	Douglas L. Porter	418.00		149,471.42
11/01/2018	000221	Punta Gorda Housing Authority	798.38		148,673.04
11/01/2018	000221	Timothy Rice	340.00		148,333.04
11/01/2018	000221	Sabin Pond Apartments LLC	113.00		148,220.04
11/01/2018	000221	Eldon Schaub	384.00		147,836.04
11/01/2018	000221	Mike & Melissa Schichtel	620.00		147,216.04
11/01/2018	000221	Sherwin Rentals	881.00		146,335.04
11/01/2018	000221	Samuel Shore	986.00		145,349.04
11/01/2018	000221	Gerald Sieggreen	697.00		144,652.04
11/01/2018	000221	SILVER SHORES MHC	1,946.00		142,706.04
11/01/2018	000221	Douglas & Julia Slack	320.00		142,386.04
11/01/2018	000221	22955 Investments LLC	2,350.00		140,036.04
11/01/2018	000221	Traverse City Property Management	454.00		139,582.04
11/01/2018	000221	TCR Investments, LLC	605.00		138,977.04
11/01/2018	000221	Wendy Teagan	502.00		138,475.04
11/01/2018	000221	TEAMCO PROPERTIES	651.00		137,824.04
11/01/2018	000221	TOS Holdings, LLC	1,559.00		136,265.04
11/01/2018	000221	Tradewinds Terrace Apts	249.00		136,016.04
11/01/2018	000221	Village Apartments LDHA	535.00		135,481.04
11/01/2018	000221	Village Glen Apartments	7,709.00		127,772.04
11/01/2018	000221	Village View Housing LHDA LP	1,236.00		126,536.04
11/01/2018	000221	Village Woods	804.00		125,732.04
11/01/2018	000221	Wagner Asset Group at Ninth Street,	734.00		124,998.04
11/01/2018	000221	Paul Wheelock	602.00		124,396.04
11/01/2018	000221	Susette Redman Wilson	1,871.00		122,525.04

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Traverse City Housing Commission  
**Check Register Summary Report**  
PNC - Section 8  
From: 11/01/2018 To: 11/28/2018

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Date	Ref Num	Payee	Payment	Deposit	Balance
11/01/2018	000221	Woda Boardman Lake LDHA.LP	1,709.00		120,816.04
11/01/2018	000221	Woodland Shores Properties, LLC	337.00		120,479.04
11/01/2018	000221	Woodmere Ridge Apartments LDHA	4,600.00		115,879.04
11/01/2018	000221	Wyatt Road Apartment Company	573.00		115,306.04
11/01/2018	000221	Theodore V. Zachman	876.00		114,430.04
11/01/2018	000221	Barb Zupin	500.00		113,930.04
11/06/2018	DEP			100.00	114,030.04
11/13/2018	023103	Traverse City Housing Commission	5,038.49		108,991.55
Total:			96,746.22	92,284.00	

**Traverse City Housing Commission  
Voucher FSS Program  
Income & Expense Statement  
For the 1 Month and 4 Months Ended October 31, 2018**

	1 Month Ended	4 Months Ended		
	<u>October 31, 2018</u>	<u>October 31, 2018</u>	<u>BUDGET</u>	<u>*OVER/UNDER</u>
<b>Operating Reserve Income</b>				
<b>Total Operating Reserve Income</b>	\$ 0.00	\$ 0.00	\$ 0	\$ 0.00
<b>Revenues - HUD PHA GRANTS</b>				
3412 - FSS Grant Revenue	\$ 5,602.00	\$ 22,408.00	\$ 0	\$ (22,408.00)
<b>Total HUD PHA GRANTS</b>	\$ 5,602.00	\$ 22,408.00	\$ 0	\$ (22,408.00)
<b>Income Offset HUD A.C.</b>				
<b>Total Income Offset</b>	0.00	0.00	0.00	0.00
<b>Total Operating Income</b>	<u>\$ 5,602.00</u>	<u>\$ 22,408.00</u>	<u>\$ 0</u>	<u>\$ (22,408.00)</u>
<b>Operating Expenses</b>				
<b>Routine Expense</b>				
<b>Administration</b>				
4110 - Administrative Salaries	\$ 3,678.48	\$ 16,433.16	\$ 55,800	\$ 39,366.84
4182 - Employee Benefits - Admin	1,233.21	9,541.58	19,070	9,528.42
4190.1 - Publications	0.00	433.00	0	(433.00)
<b>Total Administration</b>	<u>\$ 4,911.69</u>	<u>\$ 26,407.74</u>	<u>\$ 74,870</u>	<u>\$ 48,462.26</u>
<b>General Expense</b>				
<b>Total General Expense</b>	\$ 0.00	\$ 0.00	\$ 0	\$ 0.00
<b>Total Routine Expense</b>	<u>\$ 4,911.69</u>	<u>\$ 26,407.74</u>	<u>\$ 74,870</u>	<u>\$ 48,462.26</u>

**Traverse City Housing Commission  
Voucher FSS Program  
Income & Expense Statement  
For the 1 Month and 4 Months Ended October 31, 2018**

	<u>1 Month Ended October 31, 2018</u>	<u>4 Months Ended October 31, 2018</u>	<u>BUDGET</u>	<u>*OVER/UNDER</u>
<b>Housing Assistance Payments</b>				
<b>Total HAP Payments</b>	\$ 0.00	\$ 0.00	\$ 0	\$ 0.00
<b>Depreciation Expense</b>				
<b>Total Depreciation Expense</b>	\$ 0.00	\$ 0.00	\$ 0	\$ 0.00
<b>Total Operating Expense</b>	\$ 4,911.69	\$ 26,407.74	\$ 74,870	\$ 48,462.26
<b>Surplus Credits &amp; Charges</b>				
<b>Total Surplus Credits &amp; Charges</b>	\$ 0.00	\$ 0.00	\$ 0	\$ 0.00
<b>Capital Expenditures</b>				
<b>Total Capital Expenditures</b>	\$ 0.00	\$ 0.00	\$ 0	\$ 0.00
<b>GAAP Net Income (Loss)</b>	<u>\$ 690.31</u>	<u>\$ (3,999.74)</u>	<u>\$ (74,870)</u>	<u>\$ (70,870.26)</u>

**Traverse City Housing Commission  
Housing Choice Voucher Program  
Income & Expense Statement  
For the 1 Month and 4 Months Ended October 31, 2018**

	1 Month Ended	4 Months Ended		
	<u>October 31, 2018</u>	<u>October 31, 2018</u>	<u>BUDGET</u>	<u>*OVER/UNDER</u>
<b>Operating Reserve Income</b>				
3390 - Fraud Recovery Income	\$ 90.00	\$ 280.00	\$ 0	\$ (280.00)
3603 - Number of Unit Months	(671.00)	(671.00)	0	671.00
3604 - Unit Months - Contra	671.00	671.00	0	(671.00)
<b>Total Operating Reserve Income</b>	<u>\$ 90.00</u>	<u>\$ 280.00</u>	<u>\$ 0</u>	<u>\$ (280.00)</u>
<b>Revenues - HUD PHA GRANTS</b>				
3410 - HAP Funding	\$ 86,018.00	\$ 345,904.00	\$ 0	\$ (345,904.00)
3411 - Admin Fee Funding	7,358.00	30,599.00	0	(30,599.00)
<b>Total HUD PHA GRANTS</b>	<u>\$ 93,376.00</u>	<u>\$ 376,503.00</u>	<u>\$ 0</u>	<u>\$ (376,503.00)</u>
<b>Income Offset HUD A.C.</b>				
<b>Total Income Offset</b>	0.00	0.00	0.00	0.00
<b>Total Operating Income</b>	<u>\$ 93,466.00</u>	<u>\$ 376,783.00</u>	<u>\$ 0</u>	<u>\$ (376,783.00)</u>
<b>Operating Expenses</b>				
<b>Routine Expense</b>				
<b>Administration</b>				
4110 - Administrative Salaries	\$ 3,082.52	\$ 13,715.79	\$ 40,790	\$ 27,074.21
4120 - Compensated Absences	0.00	0.00	(250)	(250.00)
4130 - Legal Expense	48.90	140.10	500	359.90
4140 - Staff Training	0.00	81.00	2,700	2,619.00
4150 - Travel Expense	215.19	717.48	1,800	1,082.52
4170 - Accounting Fees	649.25	2,732.00	8,000	5,268.00
4171 - Auditing	0.00	0.00	3,000	3,000.00
4182 - Employee Benefits - Admin	899.82	5,450.04	17,195	11,744.96
4185 - Telephone	131.70	783.21	3,200	2,416.79
4190.1 - Publications	0.00	0.00	500	500.00
4190.2 - Membership Dues and Fees	88.20	406.17	1,000	593.83
4190.3 - Admin. Service Contracts	484.65	1,534.44	10,200	8,665.56
4190.4 - Office Supplies	59.69	229.12	2,200	1,970.88
4190.5 - Other Sundry Expense	142.23	5,585.33	5,460	(125.33)
4190.6 - Advertising	0.00	99.92	0	(99.92)
<b>Total Administration</b>	<u>\$ 5,802.15</u>	<u>\$ 31,474.60</u>	<u>\$ 96,295</u>	<u>\$ 64,820.40</u>
<b>General Expense</b>				
4590 - Other General Expense	\$ 34.38	\$ 137.52	\$ 0	\$ (137.52)
<b>Total General Expense</b>	<u>\$ 34.38</u>	<u>\$ 137.52</u>	<u>\$ 0</u>	<u>\$ (137.52)</u>
<b>Total Routine Expense</b>	<u>\$ 5,836.53</u>	<u>\$ 31,612.12</u>	<u>\$ 96,295</u>	<u>\$ 64,682.88</u>

**Traverse City Housing Commission  
Housing Choice Voucher Program  
Income & Expense Statement  
For the 1 Month and 4 Months Ended October 31, 2018**

	<u>1 Month Ended October 31, 2018</u>	<u>4 Months Ended October 31, 2018</u>	<u>BUDGET</u>	<u>*OVER/UNDER</u>
<b>Housing Assistance Payments</b>				
4715.1 - HAP - Occupied Units	\$ 87,421.00	\$ 327,878.00	\$ 0	\$ (327,878.00)
4715.3 - HAP - Non-Elderly Disabled	1,799.00	8,616.00	0	(8,616.00)
4715.4 - HAP - Utility Allowances	495.00	2,340.00	0	(2,340.00)
4715.5 - HAP - Fraud Recovery	(90.00)	(240.00)	0	240.00
4715.6 - HAP - Homeownership	1,229.00	4,916.00	0	(4,916.00)
4715.61 - HAP-Homeownership URP	14.00	56.00	0	(56.00)
4715.8 - HAP - Portable Paying Out	764.00	3,386.00	0	(3,386.00)
4715.9 - HAP - Portable Receiving	337.00	1,011.00	0	(1,011.00)
4719 - HAP - FSS Escrow	(2,803.00)	7,007.00	0	(7,007.00)
<b>Total HAP Payments</b>	<b>\$ 89,166.00</b>	<b>\$ 354,970.00</b>	<b>\$ 0</b>	<b>\$ (354,970.00)</b>
<b>Depreciation Expense</b>				
<b>Total Depreciation Expense</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0</b>	<b>\$ 0.00</b>
<b>Total Operating Expense</b>	<b>\$ 95,002.53</b>	<b>\$ 386,582.12</b>	<b>\$ 96,295</b>	<b>\$ (290,287.12)</b>
<b>Capital Expenditures</b>				
<b>Total Capital Expenditures</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0</b>	<b>\$ 0.00</b>
<b>GAAP Net Income (Loss)</b>	<b><u>\$ (1,536.53)</u></b>	<b><u>\$ (9,799.12)</u></b>	<b><u>\$ (96,295)</u></b>	<b><u>\$ (86,495.88)</u></b>
<b>Memo:</b>				
<b>Admin Operating Income/(Loss)</b>	<b><u>\$ 1,521.47</u></b>	<b><u>\$ (1,013.12)</u></b>	<b><u>\$ (96,295)</u></b>	<b><u>\$ (95,281.88)</u></b>
<b><u>Analysis of Funding</u></b>		<b><u>4 Months Ended October 31, 2018</u></b>		
<b>A.C. Received: October 31, 2018</b>				
3410 - HAP Funding		\$ 345,904.00		
<b>A.C. Earned</b>				
4715.1 - HAP - Occupied Units		327,878.00		
4715.3 - HAP - Non-Elderly Disabled		8,616.00		
4715.4 - HAP - Utility Allowances		2,340.00		
4715.5 - HAP - Fraud Recovery		(240.00)		
4715.6 - HAP - Homeownership		4,916.00		
4715.61 - HAP-Homeownership URP		56.00		
4715.8 - HAP - Portable Paying Out		3,386.00		
4715.9 - HAP - Portable Receiving		1,011.00		
4719 - HAP - FSS Escrow		7,007.00		
<b>Total Funding Required</b>		<b>\$ 354,970.00</b>		
<b>Over/(Under) Funding</b>		<b><u>\$ (9,066.00)</u></b>		
<b>RNP as of: October 31, 2018</b>		<b>\$ (22,340.00)</b>		
<b>UNP as of: October 31, 2018</b>		<b>\$ 120,831.46</b>		



**Traverse City Housing Commission**  
**Low Rent Public Housing**  
**Income & Expense Statement**  
**For the 1 Month and 4 Months Ended October 31, 2018**

	1 Month Ended		4 Months Ended			
	<u>October 31, 2018</u>		<u>October 31, 2018</u>		<u>BUDGET</u>	<u>*OVER/UNDER</u>
<b>Operating Income</b>						
<b>Rental Income</b>						
3110 - Dwelling Rental	\$	32,331.00	\$	128,282.00	\$ 435,000	\$ 306,718.00
3110.2 - Dwelling Rental-Proj. 2		5,443.00		19,961.00	0	(19,961.00)
3120 - Excess Utilities		214.11		615.07	0	(615.07)
3190 - Nondwelling Rental		7,745.60		30,232.40	71,900	41,667.60
<b>Total Rental Income</b>	\$	45,733.71	\$	179,090.47	\$ 506,900	\$ 327,809.53
<b>Revenues - HUD PHA GRANTS</b>						
3401.2 - Operating Subsidy	\$	21,406.50	\$	84,259.50	\$ 250,000	\$ 165,740.50
<b>Total HUD PHA GRANTS</b>	\$	21,406.50	\$	84,259.50	\$ 250,000	\$ 165,740.50
<b>Nonrental Income</b>						
3610 - Interest Income-Gen. Fund	\$	217.64	\$	833.65	\$ 2,500	\$ 1,666.35
3690 - Tenant Income		975.03		2,016.58	6,000	3,983.42
3690.1 - Non-Tenant Income		1,633.16		20,480.20	15,400	(5,080.20)
3690.2 - Tenant Income-Cable		2,300.00		9,203.00	29,200	19,997.00
3692 - Management Fee - TAHDC		0.00		4,118.97	0	(4,118.97)
<b>Total Nonrental Income</b>	\$	5,125.83	\$	36,652.40	\$ 53,100	\$ 16,447.60
<b>Total Operating Income</b>	\$	72,266.04	\$	300,002.37	\$ 810,000	\$ 509,997.63
<b>Operating Expenses</b>						
<b>Routine Expense</b>						
<b>Administration</b>						
4110 - Administrative Salaries	\$	9,663.86	\$	43,056.16	\$ 136,780	\$ 93,723.84
4130 - Legal Expense		570.10		2,186.90	17,000	14,813.10
4140 - Staff Training		0.00		189.00	6,300	6,111.00
4150 - Travel Expense		237.16		1,560.29	4,200	2,639.71
4170 - Accounting Fees		450.16		2,138.14	7,000	4,861.86
4171 - Auditing		0.00		0.00	4,000	4,000.00
4182 - Employee Benefits - Admin		2,781.51		16,457.55	50,430	33,972.45
4185 - Telephone		813.02		2,866.33	7,500	4,633.67
4190.1 - Publications		0.00		0.00	800	800.00
4190.2 - Membership Dues and Fees		122.57		440.54	1,000	559.46
4190.3 - Admin. Service Contracts		1,130.88		3,953.11	23,800	19,846.89
4190.4 - Office Supplies		139.29		534.65	4,200	3,665.35
4190.5 - Other Sundry Expense		266.52		5,202.77	13,640	8,437.23
4190.6 - Advertising		0.00		275.00	1,500	1,225.00
<b>Total Administration</b>	\$	16,175.07	\$	78,860.44	\$ 278,150	\$ 199,289.56
<b>Tenant Services</b>						
4220 - Rec., Pub., & Other Services	\$	923.10	\$	3,552.85	\$ 8,575	\$ 5,022.15
4230 - Cable TV-Tenants		3,289.48		13,159.36	37,460	24,300.64
<b>Total Tenant Services</b>	\$	4,212.58	\$	16,712.21	\$ 46,035	\$ 29,322.79

**Traverse City Housing Commission**  
**Low Rent Public Housing**  
**Income & Expense Statement**  
**For the 1 Month and 4 Months Ended October 31, 2018**

	1 Month Ended	4 Months Ended		
	<u>October 31, 2018</u>	<u>October 31, 2018</u>	<u>BUDGET</u>	<u>*OVER/UNDER</u>
<b>Utilities</b>				
4310 - Water	\$ 668.43	\$ 6,747.83	\$ 16,500	\$ 9,752.17
4320 - Electricity	68.66	24,408.81	150,000	125,591.19
4330 - Gas	168.50	933.92	15,500	14,566.08
<b>Total Utilities</b>	<u>\$ 905.59</u>	<u>\$ 32,090.56</u>	<u>\$ 182,000</u>	<u>\$ 149,909.44</u>
<b>Ordinary Maint. &amp; Operations</b>				
4410 - Labor, Maintenance	\$ 9,785.00	\$ 38,719.01	\$ 97,540	\$ 58,820.99
4420 - Materials	2,060.66	10,899.95	25,000	14,100.05
4430.02 - Heating & Cooling Contracts	0.00	604.19	6,000	5,395.81
4430.03 - Snow Removal Contracts	0.00	0.00	4,000	4,000.00
4430.04 - Elevator Maintenance Contracts	0.00	19,896.79	9,600	(10,296.79)
4430.05 - Landscape & Grounds Contracts	(2,137.24)	9,753.79	10,000	246.21
4430.06 - Unit Turnaround Contracts	0.00	20,527.27	18,000	(2,527.27)
4430.07 - Electrical Contracts	0.00	246.34	1,000	753.66
4430.08 - Plumbing Contracts	0.00	1,740.37	1,000	(740.37)
4430.09 - Extermination Contracts	585.00	2,015.00	3,000	985.00
4430.10 - Janitorial Contracts	0.00	0.00	2,200	2,200.00
4430.11 - Routine Maintenance Contracts	576.00	7,292.81	10,000	2,707.19
4430.12 - Misc. Contracts	185.00	1,642.19	10,000	8,357.81
4431 - Garbage Removal	655.95	2,411.56	10,500	8,088.44
4433 - Employee Benefits - Maint.	2,509.85	15,786.42	35,620	19,833.58
<b>Total Ordinary Maint. &amp; Oper</b>	<u>\$ 14,220.22</u>	<u>\$ 131,535.69</u>	<u>\$ 243,460</u>	<u>\$ 111,924.31</u>
<b>General Expense</b>				
4510 - Insurance	\$ 2,680.18	\$ 10,691.36	\$ 30,600	\$ 19,908.64
4520 - Payment in Lieu of Taxes	2,041.67	7,905.01	23,000	15,094.99
4550 - Compensated Absences	0.00	0.00	(1,000)	(1,000.00)
4570 - Collection Losses	0.00	0.00	5,000	5,000.00
4586 - Interest Expense-CFFP	0.00	0.00	32,000	32,000.00
<b>Total General Expense</b>	<u>\$ 4,721.85</u>	<u>\$ 18,596.37</u>	<u>\$ 89,600</u>	<u>\$ 71,003.63</u>
<b>Total Routine Expense</b>	<u>\$ 40,235.31</u>	<u>\$ 277,795.27</u>	<u>\$ 839,245</u>	<u>\$ 561,449.73</u>
<b>Non-Routine Expense</b>				
<b>Extraordinary Maintenance</b>				
4610.3 - Contract Costs	\$ 0.00	\$ 0.00	\$ 10,000	\$ 10,000.00
<b>Total Extraordinary Maintenance</b>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 10,000</u>	<u>\$ 10,000.00</u>
<b>Casualty Losses-Not Cap.</b>				
<b>Total Casualty Losses</b>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0</u>	<u>\$ 0.00</u>
<b>Total Non-Routine Expense</b>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 10,000</u>	<u>\$ 10,000.00</u>
<b>Total Operating Expenses</b>	<u>\$ 40,235.31</u>	<u>\$ 277,795.27</u>	<u>\$ 849,245</u>	<u>\$ 571,449.73</u>
<b>Operating Income (Loss)</b>	<u>\$ 32,030.73</u>	<u>\$ 22,207.10</u>	<u>\$ (39,245)</u>	<u>\$ (61,452.10)</u>
<b>Depreciation Expense</b>				
4800 - Depreciation - Current Year	\$ 20,611.45	\$ 83,530.29	\$ 0	\$ (83,530.29)
<b>Total Depreciation Expense</b>	<u>\$ 20,611.45</u>	<u>\$ 83,530.29</u>	<u>\$ 0</u>	<u>\$ (83,530.29)</u>

**Traverse City Housing Commission**  
**Low Rent Public Housing**  
**Income & Expense Statement**  
**For the 1 Month and 4 Months Ended October 31, 2018**

	1 Month Ended		4 Months Ended			
	<u>October 31, 2018</u>		<u>October 31, 2018</u>		<u>BUDGET</u>	<u>*OVER/UNDER</u>
<b>Surplus Credits &amp; Charges</b>						
<b>Total Surplus Credits &amp; Charges</b>	\$	0.00	\$	0.00	\$ 0	\$ 0.00
<b>Capital Expenditures</b>						
7520 - Replacement of Equipment	\$	1,436.00	\$	1,436.00	\$ 0	\$ (1,436.00)
7540 - Betterments and Additions		5,542.00		16,312.25	25,000	8,687.75
7590 - Operating Expenditures-Contra		(6,978.00)		(17,748.25)	0	17,748.25
<b>Total Capital Expenditures</b>	\$	0.00	\$	0.00	\$ 25,000	\$ 25,000.00
<b>Other Financial Items</b>						
8010 - Operating Transfers In	\$	0.00	\$	0.00	\$ 109,300	\$ 109,300.00
<b>Total Other Financial Items</b>	\$	0.00	\$	0.00	\$ 109,300	\$ 109,300.00
 <b>HUD Net Income (Loss)</b>	 \$	 25,052.73	 \$	 4,458.85	 \$ (173,545)	 \$ (178,003.85)
<b>GAAP Net Income (Loss)</b>	\$	11,419.28	\$	(61,323.19)	\$ 45,055	\$ 106,378.19



**Traverse City  
Housing Commission**  
*a Public Housing Authority*

## **COMMITTEE REPORTS**

Governance Committee Meeting: November 20, 2018

**DRAFT Meeting Minutes of the Traverse City Housing Commission  
Executive & Governance Committee  
November 20, 2018**

The Regular Meeting of the Traverse City Housing Commission Executive & Governance Committee was called to order by Commissioner Jim Friend in the Riverview Terrace Community Room, 150 Pine Street, Traverse City, Michigan at 10:02 A.M.

**I      ROLL CALL**

The following Commissioners were present: Jim Friend.

Staff: Tony Lentych, Executive Director.

Residents: Committee Members Ellen Corcoran and Norma Loper plus Irene Lillie and Jeff Turner.

**II      APPROVAL OF AGENDA & REVIEW OF MINUTES**

Committee Member Corcoran moved (Loper support) to approve the agenda and accept the minutes as presented. The motion was unanimously approved.

**III      PUBLIC COMMENT**

None.

**IV      UPDATES**

A. The Policy Review Schedule was presented and discussed.

**V      OLD BUSINESS**

- A. Staff reviewed the recent meetings on the “Shared Drive” request from the City and the developers of the Pine Street property. We should receive a formal letter from their team next week to consider at the Commission meeting. It was mentioned that we should get another property line survey to be sure that the line is correct and matches any preliminary design plan. Staff was also instructed to find out how much, if any, public dollars are going to this project.
- B. The committee discussed the DDA’s efforts to complete the River Walk. Staff reported we should also receive a formal request letter from the DDA next week. It was mentioned that the bridge to the park idea should be explored.
- C. There is no update regarding the Safety & Evacuation Plan.
- D. The TCHC lease sub-committee has not reconvened.
- E. Staff presented the RAD Fact Sheet #6 that was distributed at the monthly RAD meeting for Residents. Eight residents attended the meeting. Staff will continue to hold monthly resident meetings through this process.
- F. There was no update on the Salary Survey.

**VI      NEW BUSINESS**

- A. The 2019 Calendar of Meetings was presented to the Governance Committee for review and comment. It was recommended to move to the full Commission for consideration.
- B. The Pest Control Policy was presented and discussed. It was recommended to move to the full Commission for consideration.

- C. The proposed Housekeeping & Sanitary Standards Policy was briefly discussed and will be discussed in more detail next month.

**VII PUBLIC COMMENT**

Ellen Corcoran made general comments.

**VIII ADJOURNMENT**

Commissioner Friend closed the meeting at 11:04 AM.

Respectfully submitted,

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Tony Lentych, Executive Director



**Traverse City  
Housing Commission**  
*a Public Housing Authority*

## **STAFF & PROGRAM REPORTS**

Executive Director's Report: November 2018

Family Self-Sufficiency (FSS) Program Report: November 2018

Resident Council Report: November 2018

## **EXECUTIVE DIRECTOR'S REPORT: November 30, 2018**

This report covers the work accomplished from October 26, 2018 until November 29, 2018. Please contact me directly should you have any questions or wish to receive more information about any items highlighted in this report.

### **Strategic Goal 1**

**Expand affordable housing inventory and range of options.**

#### **Current Properties**

1. Riverview Terrace: Two units are open at this time. Both will be filled before December 1, 2018.
2. Orchardview: No units are open at this time.

#### **Housing Choice Vouchers**

1. We have 174 HCV filled at this time. We have approximately 5 individuals/families looking for housing at this time.

#### **Projects & Potential Projects**

1. EAST BAY FLATS: Once again, I have spent a considerable amount of time on this issue as we push through the final items. Model Unit should be open in a week or so. Finishing up a brochure on this project. I met with the General Manager of the neighboring hotel to begin the conversation on shared operations when we open the project to tenants.
2. RAD: Conducted another Resident Meeting at Riverview Terrace.
3. LEELANAU REACH: Several meetings and conversations with their leadership. Helped them secure financing for Vincer West housing project.
4. Continued conversations and meetings with partners to implement Homeless Youth Housing – developing a work plan for East Bay Flats. We have a waitlist for these units.
5. Participated in continued several conversations with WRC staff and MSHDA staff about the future of Sarah's House.
6. Meeting with Homestretch staff and board members about potential collaborations.
7. Considered applying for a new MSHDA pilot program for modular housing.



8. Continued to assist the Opportunity Resource Fund, a state-wide CDFI, about their plans to “announce” a presence in the region – attended a meeting where they announced their plans to have a ten-county fund for this region.
9. Attended a meeting with City staff about potential housing projects.

<b>Strategic Goal 2</b>	<b>Create opportunities for residents to improve quality of life and achieve individual successes.</b>
-------------------------	--

1. Met with the leadership of the Riverview Terrace Resident Council to update monthly financials.
2. Continued to work on new Housekeeping & Sanitary Standards Policy.

<b>Strategic Goal 3</b>	<b>Foster an environment of innovation and excellence.</b>
-------------------------	--

#### Strategic Planning

1. Continued research for the white paper on the future of TCHC – still have not completed this task.

#### Financial

1. Prepared monthly financial reports for October 2018.
2. Continued correspondence with our independent auditor to wrap up audit.

#### General Management

1. Continued work on internal Policy Review. Completed work on Pest Control Policy.
2. Continued work on TCHC Lease Agreement.

#### Office IT

1. No update.

#### TCHC

1. Attended one TCHC regular meeting (October 26) and prepared for another (November 26).
2. Prepared for a Governance Committee meeting.

3. Conducted one board orientation session.

#### **ERHC**

1. Prepared for and attended one ERHC regular meetings (November).
2. Coordinated staff activities to implement management contract (schedules, duties, etc.).

<b>Strategic Goal 4</b>	<b>Increase community engagement and understanding of our work.</b>
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1. Rural Housing Partnership: Participated in board of directors meeting. Reviewed resumes for new executive director position. Conducted four interviews for new executive director position.
2. Housing Solutions Network: Chaired a month meeting where we reviewed the success of the recent housing summit.
3. Federal Home Loan Bank of Indianapolis: Participated in one conference call to plan agenda for upcoming meeting. Attended meeting of Affordable Housing Advisory Council and FHLBI Board of Directors in Indianapolis.
4. Media: Conversations with media about potential stories.
5. Met with Chamber Alliance staff about potential housing bills being introduced in the State Legislature at the first of the year.
6. Attended the Annual Safe Harbor fundraising breakfast.
7. Meeting with State Senator Wayne Schmidt.

<b>Miscellaneous</b>	<b>Other information / On-going Issues – plus personal items.</b>
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1. Several emails with TCHC attorney, Ward Kuhn on a variety of issues.
2. “SHARED DRIVE” / “RIVERWALK”: Attended a meeting with Pine Street Development One owners and Mansfield Land Use Consultants – this was a preliminary meeting and I instructed them to submit a formal letter to move the discussion forward. Also had some conversations with DDA staff about the proposed Riverwalk expansion and our property – I requested that they, too, submit a formal letter to move the discussion forward.
3. Holiday/Vacation/Personal Time: Two Days for Thanksgiving Holiday and one vacation day.

## **FAMILY SELF-SUFFICIENCY (FSS) PROGRAM REPORT**

**November 30, 2018**

### **Current SEMAP Status**

SEMAP (Section 8 Management Assessment Program) reporting places the program in the "High Performer" category:

Number of Mandatory Slots	Number of Families Enrolled	% of Families Enrolled	Number of Families with Progress Reports & Escrow Balances	% of Families with Progress Reports & Escrow Balances
22	22	100%	13	62%

### **Program Manager Update**

Client meetings continue and we anticipate talking to all HCV potential clients when they arrive for intake appointments.

### **Status of Participants**

Current participants are showing progress and continuously working to meet their goals.

### **FSS Grant**

The new RFP was released and we responded immediately. We expect to hear a response from HUD before the end of the calendar year.

# TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

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## MEMORANDUM

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**DATE:** November 30, 2018

**TO:** All Commissioners of the Traverse City Housing Commission

**FROM:** Tony Lentych, Executive Director ✓

**SUBJECT:** Riverview Terrace Resident Council (RTRC) Updates

**MESSAGE:**

Attached are the monthly financial review reports from RTRC for the month of October. The financial reporting continues to be great and they are finding a nice balance of activities and interactions with residents.

Also attached, are the handouts from the RTRC monthly meeting for November. Additionally, RTRC President, Jo Simerson submitted a letter to be included this month.

**ATTACHMENT:** Letter from RTRC President  
Financial Reports  
Monthly Handouts  
Draft Meeting Minutes

## RESIDENT COUNCIL REPORT FOR TCHC BOARD PACKET NOVEMBER 2018

~ Our Halloween Birthday Bash was a great success. It was so good to see all the young people in costumes. We all had a great time! There were 40 Residents in attendance.

~ Our next Resident Council Meeting has been changed to Friday, December 14<sup>th</sup> at 2pm. Our Office will be closed December 21<sup>st</sup> to January 4<sup>th</sup> for the Holidays.

~ On Saturday, December 15<sup>th</sup> is our Holiday Meal. We have seven 12lb Turkeys to cook and seven people who volunteered to help cook them.

~ There won't be a Birthday Bash in December but will celebrate both December & January birthdays in January .... Stay tuned for date & time.

~ The Flu Shots are being offered on November 30<sup>th</sup> from 1pm – 3pm for anyone who hasn't gotten theirs yet. We put a sign up sheet on 2<sup>nd</sup> Floor next to Housing Office.

~ Donations have been low but we are still hoping for good results in this area after the New Year. The Donations help make it possible for us to continue to have activities and meals for the Residents.

Resident Council President  
Jo Simerson



# Riverview Terrace Resident Council

## FY 2018-2019

	July	Aug	Sept	Oct	Nov	Dec	June
Restricted Balance Forward	\$ 65.86	\$ 1,730.85	\$ 985.05	\$ 945.06	\$ 905.07	\$ 905.07	\$ 905.07
Income	\$ 1,764.99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses	\$ 100.00	\$ 745.80	\$ 39.99	\$ 39.99	\$ -	\$ -	\$ -
SUB TOTAL	\$ 1,730.85	\$ 985.05	\$ 945.06	\$ 905.07	\$ 905.07	\$ 905.07	\$ 905.07

Unrestricted Balance Forward	\$ 357.57	\$ 369.53	\$ 280.46	\$ 230.26	\$ 353.30	\$ 353.30	\$ 353.30
Income	\$ 81.90	\$ 83.43	\$ 40.25	\$ 150.00	\$ -	\$ -	\$ -
Expenses	\$ 69.94	\$ 172.50	\$ 90.45	\$ 26.96	\$ -	\$ -	\$ -
Savings Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUB TOTAL	\$ 369.53	\$ 280.46	\$ 230.26	\$ 353.30	\$ 353.30	\$ 353.30	\$ 353.30

EOM TOTAL*	\$ 2,100.38	\$ 1,265.51	\$ 1,175.32	\$ 1,258.37	\$ 1,258.37	\$ 1,258.37	\$ 1,258.37
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\* Equals Bank Statement

Total Savings = \$ 5.00  
 Petty Cash = \$ 100.00

GRAND TOTAL = \$ 1,363.37

Current as of October 30, 2018



LAKE MICHIGAN CREDIT UNION  
P.O. Box 2848  
Grand Rapids, MI 49501-2848  
RETURN SERVICE REQUESTED

Your Statement Of Accounts  
10/01/2018-10/31/2018  
Your Account Number  
xxxxxx1794  
Page 1

71918 1 AV 0.378 123778-71918-260



RIVERVIEW TERRACE RESIDENT COUNCIL  
150 PINE ST # MB1  
TRAVERSE CITY MI 49684-2478

Earn more this holiday season with the Max Rewards Visa credit card\*. Earn cash back or points on every dollar spent-including 3% on gas\*\*, 2% on groceries, 2% at restaurants (signature card only), and 1% on everything else. Visit any branch or LMCU.org to apply. \*Subject to credit qualifications. \*\*On first \$500 spent per month, 1% thereafter.

### Summary-Share Accounts

ID #	Type	Beginning Balance	Ending Balance
00	MEMBER SAVINGS	\$5.00	\$5.00
01	FREE CHECKING	\$1,175.32	\$1,258.37
	<b>Total</b>		<b>\$1,263.37</b>

### MEMBER SAVINGS

Share Account ID 00

Trans	Eff Date	Transaction	Withdrawal	Deposit	Balance
Oct 01		Beginning Balance			\$5.00
Oct 31		Ending Balance			\$5.00

### FREE CHECKING

Share Account ID 01

Trans	Eff Date	Transaction	Withdrawal	Deposit	Balance
Oct 01		Beginning Balance			\$1,175.32
Oct 15	Oct 15	Draft 1159 Tracer 042000011876618 Processed Check - Spectrum TYPE: Check Pmt ID: 3431843260 DATA: Charter///0000004019	(\$39.99)		\$1,135.33
Oct 26	Oct 26	Deposit by Check		\$150.00	\$1,285.33
Oct 31	Oct 31	Withdrawal POS #830400048797 MEIJER # 033 3955 US 31 S TRAVERSE CITY MI	(\$26.96)		\$1,258.37
Oct 31		Ending Balance			\$1,258.37

### Checking Account Summary

Chk#	Date	Amount	Chk#	Date	Amount
□ 1159	Oct 15	\$39.99			
	<b>Total Checks Cleared</b>	<b>1</b>		<b>\$39.99</b>	

The Asterisk (\*) indicates a break in check sequence.

### Dividend Summary

Account  
MEMBER SAVINGS 00  
FREE CHECKING 01  
**Total**

Dividends  
Year To Date  
\$0.00  
\$0.00  
\$0.00

Your current account relationship is Basic



**RIVERVIEW TERRACE RESIDENT COUNCIL  
MINUTES NOVEMBER 16, 2018**

**Welcome and Call to Order:**

**Time: 2:00 pm**

**Pledge Of Allegiance:**

**Roll Call:**

**Quorum: 12 (no )**

. Jo Simerson, Pres. Laura Cole, Vice Pres.

. Norma Loper , Sec. Louis Kanan, Treas.

**Introduction of Guest ( none )**

**Secretary's report:**

. Norma Loper, Sec.

. Stand as read

. If you want to speak at the meeting ( have your name on the agenda }  
please contact the office by the Friday before the meeting.

**Treasurer's report:**

. Louis Kanan, Treas.

. Stand as read

**Old Business:**

A. The Halloween/Birthday Bash was amazing! It was so much fun.

We had about 40 people all enjoying pizza , cupcakes & ice cream.

B. Peer Advocacy Group ( Disability Network ) continues to meet  
on the second Thursday @ 3:00pm in community room.

1. They are a group not connected to the Riverview Resident Council.

**New Business:**

A. Birthday Bash will be held on November 21, 2018 at 3:00 pm.

B. Holiday Dinner:

1. It will be held on December 15, 2018.



**1. We are seeking volunteers to cook turkeys ?**

**2. Also, please let us know if you want to participate in anyway**

**C. Marie Schaffer**

**1. Absent**

**D. Dennis:**

**1.Christmas Meal : sign up sheet on 3<sup>rd</sup> floor and call him.**

**E. Flu Shots:**

**1. Put on by Pain Management Clinic (more info to follow, time etc.)**

**2. Need to bring Insurance Card ( or ) \$25.00.**

**F. Lois:**

**1. TFAPS Food ( free food ) on November 26, at 2:00 pm.**

**Public Comment :**

**Council Comment:**

**Motion to Adjourn:**

**Time: 2:20 pm**

**. by: Lois,      seconded by: Louis,      Adjourned**

*Submitted by  
Norma Lopez, Sec.*

**Comment by Jo:**

**Betsy Zerrup has cards in the case by the 3<sup>rd</sup> floor lobby which she is selling to finance a CMH Trip to Disneyland.**

**RIVERVIEW TERRACE RESIDENT COUNCIL  
FINANCIAL REPORT NOVEMBER 2018**

**\*RESTRICTED FUNDS**

Beginning Balance .....	\$945.06
-Expenses..... ( phone bill )	<u>\$39.99</u>
	\$905.07

**RESTRICTED FUNDS FINAL BALANCE ..... \$905.07**

**\*UNRESTRICTED FUNDS**

Beginning Balance .....	\$230.26
- Deposit .....	<u>\$150.00</u>
	\$380.26
-Expenses .....	<u>\$26.96</u>
	\$350.30

**UNRESTRICTED FUNDS FINAL BALANCE ..... \$350.30**

**FINAL COMBINED RESTRICTED /  
UNRESTRICTED FUNDS BALANCE ..... \$1255.37**

**\*PETTY CASH ..... \$100.00**

**NOTE**

\*Pizza's for the Halloween Birthday Bash came to \$87.72. This will not show up until November Statement because it was purchased the last day of the month. So our actual Unrestricted Funds balance is \$265.48.

# **DRAFT**

## **RIVERVIEW TERRACE RESIDENT COUNCIL MINUTES OCTOBER 19, 2018**

**Welcome and Call to Order:**

**Time: 2:05**

**Pledge Of Allegiance:**

**Roll Call:**

**Quorum: 14**

**. Jo Simerson, Pres. Laura Cole, Vice Pres. Norma Loper, Sec.**

**. Louis Kanan, Treas.**

**Introduction Of Guest: None**

**Secretary's report:**

**. Norma Loper, Sec.**

**. Motion to accept by: Louis, Seconded by: Laura, Carried**

**Treasurer's report:**

**. Louis Kanan, Treas.**

**. Motion to accept by: Dorothy, Seconded by: Carla, Carried**

**Old Business:**

**A. Birthday Bash/Dinner for September went well. Everyone really enjoyed their "sloppy joes"! We had 29 present.**

**B. The Peer Advocacy Group ( Disability Network )**

**1. Met on September 13, with 7 people in attendance.**

**2. Met on October 11, with 6 residents there at the meeting.**

**a. Guests: Jim Page D: for 37<sup>th</sup> District State Senator**

**Betsy Coffia: for Grand Traverse County Commission**

**New Business:**

**A. Birthday Bash/Halloween Party is October 31 @ 3:00pm.**

**1. This will be a Pizza Party. Yes, you may come in costume!**

**B. The Resident Office was closed on Wednesday Oct.17, 2018**

**as the TCHC ( down stairs office) rented our office for 2 days.**

**C. Discussion on up coming Holiday Dinner/Party.**

**1. November:**

- a. For Thanksgiving, no big dinner.
- b. Suggestion was put forth to have dinner delivered this year.

**2. December:**

- a. Big dinner for both Thanksgiving and Christmas.
- b. We would still have the Birthday Bashes in both months

**Public Comment:**

**Council Comment:**

**Motion to Adjourn: Marie Seconded by: Carla**

**Adjourned**

**Time: 2:35pm**

**Next Meeting: November 7, 2018 @ 2:00 pm**

16  
*Submitted by  
Norma Lopez, Sec.*

**RIVERVIEW TERRACE RESIDENT COUNCIL  
FINANCIAL REPORT OCTOBER 19<sup>TH</sup>, 2018**

**\*RESTRICTED FUNDS**

Beginning Balance .....	\$985.05
-Expenses .....	<u>\$39.99</u>
	\$945.06

RESTRICTED FUNDS FINAL BALANCE ..... \$945.06

**\*UNRESTRICTED FUNDS**

Beginning Balance .....	\$280.46
- Expenses (birthday bash / dinner) .....	\$90.00
- DONATIONS .....	<u>\$40.25</u>

UNRESTRICTED FUNDS FINAL BALANCE ..... \$230.26

COMBINED RESTRICTED /  
UNRESTRICTED FINAL BALANCE ..... \$1,175.31

**\*PETTY CASH** ..... \$100.00

**November 26, 2018 RTRC Office Meeting**

**Meeting Of the RTRC Council called to order by Jo Simerson, Pres.**

**@ 1:00 pm.**

**Present : Jo Simerson, Pres. Laura Cole, Vice Pres. Norma Loper Sec.  
Louis Kanan , Treas.**

**Re: December RTRC meeting date  
Holiday Closure of RTRC office**

**A. To change the December meeting date from December 21 to December 14**

**1. This change is proposed because the meeting takes place to  
close to Christmas.**

**2. Motion by Laura Seconded by Louis passed**

**B. Holiday RTRC Office Closure:**

**1. Close the RTRC office from December 21, 2018 through  
January 4, 2019.**

**2. Motion by: Norma Seconded by: Jo passed**

**C. Motion to Adjourn: Laura Seconded by: Louis Adjourned 1:20 pm**

**Submitted by:**

**Norma Loper, Sec.**





**Traverse City  
Housing Commission**  
*a Public Housing Authority*

## **OLD BUSINESS**

2019 Consolidated Budget: Review of October 2019

TCHC Policy Review Schedule: Review

Memorandum on Resident Follow-up to RAD Application

# TRAVERSE CITY HOUSING COMMISSION

## CONSOLIDATED INCOME AND EXPENSE BUDGET WORKSHEET

	FY 2018 YTD ACTUAL*	FY 2019 BUDGET	OCTOBER 2018 ACTUAL*	FY 2019 YTD ACTUAL*	% OF BUDGET
<b>OPERATING INCOME</b>					
Property Rents	\$ 431,676.00	\$ 435,000.00	\$ 37,774.00	\$ 148,243.00	34.08%
Investment Interest	2,514.86	2,750.00	217.64	833.65	30.31%
Program Income: HCV	1,059,768.00	1,067,750.00	93,466.00	376,733.00	35.28%
Program Income: FSS	67,102.00	67,500.00	5,602.00	22,408.00	33.20%
Earned Income	159,523.99	196,700.00	12,867.90	66,666.22	33.89%
HUD Property Subsidy	243,751.00	250,000.00	21,406.00	84,259.00	33.70%
CFP / Draw on Surplus	59,990.87	220,000.00	-	-	0.00%
<b>TOTAL OPERATING INCOME</b>	<b>\$ 2,024,326.72</b>	<b>\$ 2,239,700.00</b>	<b>\$ 171,333.54</b>	<b>\$ 699,142.87</b>	<b>31.22%</b>
<b>OPERATING EXPENSES</b>					
Salaries	\$ 213,748.95	\$ 233,000.00	\$ 16,424.86	\$ 73,205.11	31.42%
Benefits	72,038.35	74,184.41	4,914.54	31,449.17	42.39%
Compensated Absences	(5,852.01)	(1,500.00)	-	-	0.00%
Legal	6,330.00	20,000.00	619.00	2,327.00	11.64%
Travel / Staff Training	9,548.23	17,500.00	452.35	2,547.77	14.56%
Accounting / Auditing	20,272.92	27,000.00	1,099.41	4,870.14	18.04%
General Office Expenses	60,625.25	72,500.00	3,413.13	22,481.11	31.01%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 376,711.69</b>	<b>\$ 442,684.41</b>	<b>\$ 26,923.29</b>	<b>\$ 136,880.30</b>	<b>30.92%</b>
<b>TENANT PROGRAMS &amp; SERVICES</b>					
Recreation, Programs, and Other	\$ 6,336.84	\$ 9,000.00	\$ 923.10	\$ 3,552.85	39.48%
Cable Television	38,953.19	38,960.00	3,289.48	13,159.36	33.78%
HAP	1,042,669.42	1,028,250.00	89,166.00	354,970.00	34.52%
<b>TOTAL TENANT PROGS / SERVICES</b>	<b>\$ 1,087,959.45</b>	<b>\$ 1,076,210.00</b>	<b>\$ 93,378.58</b>	<b>\$ 371,682.21</b>	<b>34.54%</b>
<b>UTILITIES</b>					
Water	\$ 15,395.02	\$ 15,500.00	\$ 668.43	\$ 6,747.83	43.53%
Electricity	130,384.39	150,000.00	68.66	24,408.81	16.27%
Gas	15,989.15	21,500.00	168.50	933.92	4.34%
<b>TOTAL UTILITIES</b>	<b>\$ 161,768.56</b>	<b>\$ 187,000.00</b>	<b>\$ 905.59</b>	<b>\$ 32,090.56</b>	<b>17.16%</b>
<b>MAINTENANCE / BUILDING OPERATION</b>					
Labor	\$ 103,632.97	\$ 126,740.00	\$ 9,785.00	\$ 38,719.01	30.55%
Maintenance Benefits	36,166.15	48,093.50	2,509.85	15,786.42	32.82%
Materials	23,143.74	37,500.00	2,060.66	10,899.95	29.07%
Contract / CFP Costs	176,147.34	195,000.00	(135.29)	66,130.31	33.91%
<b>TOTAL ORDINARY MAINTENANCE</b>	<b>\$ 339,090.20</b>	<b>\$ 407,333.50</b>	<b>\$ 14,220.22</b>	<b>\$ 131,535.69</b>	<b>32.29%</b>
<b>GENERAL EXPENSE</b>					
Insurance	\$ 29,205.67	\$ 31,500.00	\$ 2,680.18	\$ 10,691.36	33.94%
Payment in Lieu of Taxes	25,226.86	24,500.00	2,041.67	7,905.01	32.27%
Collection Losses	798.66	5,000.00	-	-	0.00%
Interest Expense / Other	29,143.21	33,000.00	-	-	0.00%
<b>TOTAL GENERAL EXPENSE</b>	<b>\$ 84,374.40</b>	<b>\$ 94,000.00</b>	<b>\$ 4,721.85</b>	<b>\$ 18,596.37</b>	<b>19.78%</b>
<b>EXTRAORDINARY / CASUALTY</b>					
	\$ 1,243.95	\$ 10,000.00	\$ -	\$ -	0.00%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 2,051,148.25</b>	<b>\$ 2,217,227.91</b>	<b>\$ 140,149.53</b>	<b>\$ 690,785.13</b>	<b>31.16%</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>\$ (26,821.53)</b>	<b>\$ 22,472.09</b>	<b>\$ 31,184.01</b>	<b>\$ 8,357.74</b>	
<b>PROPERTY IMPROVEMENTS/EQUIP*</b>	<b>\$ (65,797.00)</b>	<b>\$ (20,000.00)</b>	<b>\$ (6,978.00)</b>	<b>\$ (17,748.25)</b>	
<b>RESIDUAL RECEIPTS (DEFICIT)*</b>	<b>\$ (92,618.53)</b>	<b>\$ 2,472.09</b>	<b>\$ 24,206.01</b>	<b>\$ (9,390.51)</b>	

\* Accountant Reviewed



# TRAVERSE CITY HOUSING COMMISSION

## CONSOLIDATED INCOME AND EXPENSE BUDGET WORKSHEET

	Explanation / Description
<b><u>OPERATING INCOME</u></b>	
Property Rents	A total of collected rents from Riverview Terrace and Orchardview properties.
Investment Interest	A total of interest amounts earned.
Program Income: HCV	Housing Choice Voucher program dollars earned.
Program Income: FSS	ROSS funding designated for Resident Self Sufficiency Program.
Earned Income	A total of non-program dollars earned by TCHC.
HUD Property Subsidy	HUD dollars received to assist with rent deficits.
CFP / Draw on Subsidy	A total of Capital Fund Program dollars received plus what is drawn down from Checking Surplus
<b>TOTAL OPERATING INCOME</b>	A total of operating income amounts.
<b><u>OPERATING EXPENSES</u></b>	
Salaries	Includes all salaries for Executive Director, Associate Director, Program Manager, Support Staff.
Benefits	Includes all benefits for Executive Director, Associate Director, Program Manager, Support Staff.
Compensated Absences*	Year-end differences between annual leave amounts owed to employees.
Legal	Includes all legal fees for operational issues as well as commission governance issues.
Travel / Staff Training	Includes all conference, continuing education, and training fees plus travel expenses for all staff.
Accounting / Auditing	A total of all third party, contract accounting and auditing expenses.
General Office Expenses	A total of all office expenses including telephone charges, office equipment and supplies, etc.
<b>TOTAL OPERATING EXPENSES</b>	A total of all operating expenses across all program activities.
<b><u>TENANT PROGRAMS &amp; SERVICES</u></b>	
Recreation and Other	Resident programming and activities associated with current tenants.
Cable Television	Fees paid to Charter Communications to provide cable television to residents.
HAP	Housing Assistance Payments to landlords in the five county area.
<b>TOTAL TENANT PROGS / SERVICES</b>	A total of all tenant programming and services.
<b><u>UTILITIES</u></b>	
Water	Fees paid to Traverse City Light & Power for water and sewer.
Electricity	Fees paid to Traverse City Light & Power for electricity.
Gas	Fees paid to DTE for gas utility.
<b>TOTAL UTILITIES</b>	A total of all utility expenditures.
<b><u>MAINTENANCE / BUILDING OPERATION</u></b>	
Labor	Includes all salaries and wages for maintenance team (2.5 persons)
Maintenance Benefits	Includes all benefits for maintenance team (2.5 persons)
Materials	A total of all purchases related to upkeep and maintenance of properties owned by TCHC.
Contract / CFP Costs	A total of all contract maintenance and upkeep costs by third party suppliers on properties owned by TCHC.
<b>TOTAL ORDINARY MAINTENANCE</b>	A total of all ordinary maintenance and building operation expenditures.
<b><u>GENERAL EXPENSE</u></b>	
Insurance	A total of all insurance monies paid by TCHC related to all operations.
Payment in Lieu of Taxes	Amount of property taxes paid to the City of Traverse City - adjusted by PILOT ordinance.
Collection Losses	A total amount of losses from rents when residents vacate units owing monies.
Interest Expense / Other	Misc.
<b>TOTAL GENERAL EXPENSE</b>	A total of all general expense expenditures.
<b><u>EXTRAORDINARY / CASUALTY*</u></b>	A total of unexpected and unbudgeted items plus expenses reimbursed from insurance proceeds.
<b>TOTAL OPERATING EXPENSES</b>	A grand total of all expenses.
<b>NET OPERATING INCOME (LOSS)</b>	This amount reflects total income over total expenses.
<b><u>PROPERTY IMPROVEMENTS/EQUIP*</u></b>	A total of all property and equipment purchased above \$1,500 capitalization threshold - plus all appliances.
<b>RESIDUAL RECEIPTS (DEFICIT)*</b>	This category utilizes prior year(s) receipts of funding. Final amounts to be determined by accountants.

\* Accountant Reviewed

**TCHC MONTHLY CASH POSITION REPORT**  
**END OF OCTOBER 2018**

**PUBLIC HOUSING**

Chemical Bank	Checking	\$	14,146.63	
4Front Credit Union	Savings	\$	6,614.70	
TC State Bank	1051647	\$	163,544.05	
TC State Bank	53691	\$	42,480.77	
Huntington Bank	1388434863	\$	163,159.66	
TC State Bank	ICS Acct	\$	76,066.61	
Chemical Bank	1075909	\$	-	
Chemical Bank	9426	\$	17,668.00	
Huntington Bank	1388405232	\$	26,820.48	
4Front Credit Union	CD 16525-S100	\$	31,733.58	Certificate of Deposit
Chemical Bank	CD 806592	\$	52,691.36	Certificate of Deposit
<b>SUB TOTAL</b>		<b>\$</b>	<b><u>594,925.84</u></b>	

**HOUSING CHOICE VOUCHER**

PNC	Checking	\$	113,417.62	
Chase Bank	135080088317	\$	45,614.04	Escrow Account
<b>SUB TOTAL</b>		<b>\$</b>	<b><u>159,031.66</u></b>	

**OTHER**

Reserves*/FSS/CFP		\$	487,456.53	Restricted
<b>SUB TOTAL</b>		<b>\$</b>	<b><u>487,456.53</u></b>	
<b>TOTAL Cash &amp; Cash Equivalents</b>		<b>\$</b>	<b><u><u>1,241,414.03</u></u></b>	

*\* as of December 31, 2017*

# TCHC Policy Review Schedule

POLICY	First Adopted	Previous Review(s)	Scheduled Review	Update Complete
<b>TCHC By-Laws</b>	October 19, 2004	May/June 2017	June 2018	June 22, 2018
<b>ACOP (Admission &amp; Continued Occupancy Policy)</b>	May 1, 2005	July 16, 2013	December 2017	February 9, 2018
<b>ADMIN (Administrative Plan HCV)</b>	January 1, 2005	March 2016	Annual	March 25, 2016
<b>Anti-Bullying &amp; Hostile Environment Harassment Policy</b>	August 25, 2017	Summer 2017	April 2018	August 25, 2017
<b>Asset / Physical Plant Management Addendum</b>	January 22, 2016	January 2016	NA	January 22, 2016
<b>Attendance Policy</b>	June 23, 2017	June 2017	NA	June 23, 2017
<b>Board Orientation Policy</b>	February 2013	September 2017	NA	September 29, 2017
<b>Camera Policy</b>	September 29, 2017	September 2017	NA	September 29, 2017
<b>Capitalization Policy</b>	March 18, 2003	February 20, 2006	March 2018	March 23, 2018
<b>Certificate of Deposit Signatories Authorization Policy</b>	Unknown	Unknown	TBD	
<b>Check Signing Policy</b>	December 2004	March 2017	NA	March 24, 2017
<b>Civil Rights Policy</b>	September 11, 1996	None	TBD	
<b>Code of Conduct Policy</b>	September 28, 2012	January 11, 2013	May 2018	May 25, 2018
<b>Community Room Policy</b>	February 2006	March 2016	NA	March 25, 2016
<b>Community Service Policy</b>	July 19, 2005	July 15, 2008	May 2018	May 25, 2018
<b>Credit Card Policy</b>	October 20, 2015	October 2015	NA	October 20, 2015
<b>Deceased Resident Policy</b>	April 5, 1988	April 2016	NA	April 22, 2016
<b>Disposition Policy</b>	June 25, 1985	Unknown	TBD	
<b>Document Retention Policy</b>	Unknown	Unknown	TBD	
<b>Doubtful Account Write-Off Policy</b>	March 18, 2001	January 2017	NA	January 27, 2017
<b>EIV Policy</b>	April 17, 2006	June 30, 2012	March 2018	March 23, 2018
<b>Emergency Closing Policy</b>	April 18, 2006	February 2016	NA	February 26, 2016
<b>Emergency Transfer for Victims of Domestic Violence Policy</b>	August 25, 2017	August 2017	NA	August 25, 2017
<b>Equal Housing Opportunity Plan</b>	March 8, 1990	None	TBD	
<b>Family Self Sufficiency Action Plan</b>	August 31, 1998	September 2016	NA	September 23, 2016
<b>Freedom of Information Policy</b>	June 16, 2015	June 2015	NA	June 16, 2015
<b>Grievance Policy</b>	Unknown	Unknown	TBD	
<b>Hazard Communication Policy</b>	February 18, 2003	July 1, 2011	November 2018	
<b>Housekeeping &amp; Sanitary Standards Policy</b>	NEW	None	November 2018	

# TCHC Policy Review Schedule

POLICY	First Adopted	Previous Review(s)	Scheduled Review	Update Complete
<b>Inventory Policy</b>	Unknown	August 2016	NA	August 26, 2016
Investment Policy	June 25, 1985	Unknown	TBD	
<b>Key (Master) Policy</b>	July 18, 2006	April 2016	NA	April 22, 2016
Maintenance Policy	Unknown	Unknown	TBD	
<b>Pet Policy</b>	April 20, 2010	October 2016	NA	October 28, 2016
Petty Cash Policy	Unknown	Unknown	TBD	
<b>Personnel Policy / Employee Handbook</b>	Unknown	August 2017	August 2020	August 25, 2017
<b>Pest Control Policy</b>	February 18, 2003	May 1, 2008	November 2018	
Procurement Policy	May 1, 1990	Unknown	TBD	
Public Housing Maintenance Plan	Unknown	Unknown	TBD	
Reasonable Accommodation	April 19, 2011	Unknown	TBD	
<b>Rent Collection Policy</b>	April 5, 1988	None	NA	October 27, 2017
<b>Residential Lease Agreement</b>	Unknown	Unknown	September 2018	
<b>Safety &amp; Evacuation Policy</b>	December 19, 2006	December 19, 2008	Spring 2018	On-Going
<b>Schedule of Excess Utility Charges Policy</b>	February 14, 1989	April 2017	NA	April 28, 2017
Schedule of Maintenance/Repair Charges Policy	April 7, 1992	None	TBD	
Sexual Harassment Policy	September 11, 1996	None	TBD	
<b>Smoke-Free Properties Policy</b>	December 19, 2006	September 18, 2012	September 2017	February 23, 2018
<b>Social Media Policy</b>	August 26, 2016	August 2016	NA	August 26, 2016
<b>Social Security Number Privacy Policy</b>	January 22, 2016	January 2016	NA	January 22, 2016
<b>Succession Plan</b>	May 15, 2007	July 17, 2014	NA	December 1, 2017
Transfer Policy	Unknown	Unknown	TBD	
<b>Travel Policy</b>	February 18, 2003	August 21, 2012	June 2018	June 22, 2018
Tresspass Policy	Unknown	Unknown	TBD	
<b>Vehicle Policy</b>	August 2006	February 2011	February 2018	March 23, 2018

# TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

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## MEMORANDUM

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**DATE:** November 30, 2018  
**TO:** All Commissioners of the Traverse City Housing Commission  
**FROM:** Tony Lentych, Executive Director  
**SUBJECT:** Rental Assistance Demonstration (RAD) Resident Information

**MESSAGE:**

We held another monthly RAD meeting last week and it was several residents attended. Again, we did not have much to announce but we were able to answer a few more questions. I do believe the meeting helps reinforce the message about RAD for residents that have concerns or who take additional time to absorb this kind of information.

Future meetings are announced in the Riverview Terrace Monthly Newsletter.

**ATTACHMENT:** HUD Handout – Distributed to Residents at Meeting and available in office

# RENTAL ASSISTANCE DEMONSTRATION (RAD)

## FACT SHEET #6: RESIDENT PARTICIPATION & FUNDING FOLLOWING CONVERSION

### WHAT IS RAD?

The **Rental Assistance Demonstration (RAD)** is a program of the Department of Housing and Urban Development (HUD) that seeks to **preserve affordable housing**.

Public housing units across the country need more than \$26 billion in repairs and many public housing agencies (PHAs) do not have enough money to keep units in good condition. RAD provides PHAs a way to stabilize, **rehabilitate**, or replace properties.



### WHAT ARE RESIDENT ORGANIZATIONS?

HUD recognizes the importance of resident involvement in improving the quality of life for residents. Resident organizations and councils should work to improve resident satisfaction and participate in initiatives that enable residents to create a positive living environment for all families.

In the public housing program, residents are able to organize and form a resident council to represent their interests to the PHA. Resident councils are encouraged to meet regularly with

#### FACT SHEETS FOR PUBLIC HOUSING RESIDENTS

This series of fact sheets is intended to help residents of public housing learn about RAD. All fact sheets are posted on RAD's website at [www.hud.gov/rad](http://www.hud.gov/rad), under the 'Residents' tab. This fact sheet explains RAD's resident participation and funding rules.

their PHA to discuss issues, plan activities, and review progress.

To establish and operate a resident council, your PHA must allow you to:

- Contact other residents;
- Conduct surveys of residents to determine interest in establishing an organization or to offer information about an organization;
- Distribute leaflets in the lobby and common areas and place leaflets at or under residents' doors;
- Post information on bulletin boards;
- Hold regularly scheduled meetings in a location where residents can easily attend; and
- Conduct other reasonable activities.

Your resident organization may coordinate a response on behalf of residents to proposed PHA actions such as:

- Changing from PHA-paid utilities to resident-paid utilities;
- Reducing resident utility allowances;
- Converting units to non-residential use;
- Rent increases; or
- Major construction or modernization work at your property.

Under the public housing program, your PHA had to recognize legitimate resident councils, provide funding to support these organizations, and give reasonable consideration to the concerns raised by these organizations.

## WILL I HAVE A RIGHT TO ORGANIZE AFTER A RAD CONVERSION?

Following a conversion under RAD, **you will have the right to maintain, establish, and operate a resident organization.** The property owners must continue to recognize legitimate resident organizations, provide funding to support these organizations, and give reasonable consideration to the concerns raised by these organizations.

### **What makes a resident organization "legitimate"?**

To be considered "legitimate," your resident organization must:

- Be established by the residents of the property;
- Meet regularly;
- Operate democratically;
- Represent all residents at the property; and
- Be independent from the property owner.

If there is no legitimate resident organization at your property, HUD encourages your property owner to actively engage residents and develop a constructive working relationship.

## WILL RESIDENT ORGANIZATIONS RECEIVE RESIDENT PARTICIPATION FUNDING?

After a RAD conversion, your property owner must provide resident participation funding in the amount of **\$25 per occupied unit per year**. For example, a 100-unit property fully occupied for

the whole year would need to set aside \$2,500 to support resident participation.

The resident organization must receive at least \$15 of this amount to fund resident participation activities such as resident education, organizing around tenancy issues, and training activities. The owner may use \$10 of this amount to pay for any costs to administer resident participation activities.

If your resident council had unused resident participation funds before participating in RAD, that money will still be available for your resident organization's use after the conversion.

### **DEFINITIONS:**

- **Resident Organization** – A group of residents with elected leaders that is responsible for representing resident interests to your property owner.
- **Resident Participation** – Organizing and forming a resident organization to improve residents' quality of life and participate in initiatives that enable residents to create a positive living environment for all families of the property.
- **Resident Participation Funding** – Funding provided to a resident organization to fund activities such as resident education, organizing around tenancy issues, and training activities.





**Traverse City  
Housing Commission**  
*a Public Housing Authority*

## **NEW BUSINESS**

Discussion & Acceptance of Fiscal Year 2018 Annual Audit

Resolution to Adopt 2019 Calendar of Meetings

Resolution to Adopt Pest Control Policy




# TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

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## MEMORANDUM

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**DATE:** November 30, 2018  
**TO:** All Commissioners of the Traverse City Housing Commission  
**FROM:** Tony Lentych, Executive Director   
**SUBJECT:** Fiscal Year 2018 Annual Audit

**MESSAGE:**

Attached to this memorandum you will find a copy of the Fiscal Year 2018 Annual Audit and Management Letter. The audit was conducted in early-October and we received the final documents dated November 16, 2018 via e-mail.

You may accept these materials as presented or request additional information from the auditor. There were no findings so if you do not require any more information, the FY 2018 Annual Audit is ready to be accepted by the Traverse City Housing Commission. A simple motion to accept these items will document that each Commissioner has received and reviewed the work of the audit team.

Once accepted, and in accordance with HUD Policy, both items will be submitted (actually their term is 'uploaded') to HUD. This only means that the items will have been marked as received and with no findings recorded, the submission remains in our file.

**ATTACHEMENT:** Fiscal Year 2018 Audit  
Management Letter to TCHC



# **TRAVERSE CITY HOUSING COMMISSION**

**(A Component Unit of the City of Traverse City, Michigan)**

## **Financial Statements (With Supplementary Information)**

**For the Year Ended June 30, 2018**



SMITH & KLACZKIEWICZ, PC  
CERTIFIED PUBLIC ACCOUNTANTS

# Traverse City Housing Commission

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SMITH & KLACZKIEWICZ, PC  
CERTIFIED PUBLIC ACCOUNTANTS

THOMAS J. SMITH, CPA  
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(989) 751-3064

A VETERAN OWNED BUSINESS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Traverse City Housing Commission  
Traverse City, Michigan

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the *Traverse City Housing Commission*, a component unit of the City of Traverse City, Michigan, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Housing Commission's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the ***Traverse City Housing Commission***, as of June 30, 2018, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 to 9) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the ***Traverse City Housing Commission's*** basic financial statements. The financial data schedules and schedule of federal expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The financial data schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2018 on our consideration of the ***Traverse City Housing Commission's*** control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the ***Traverse City Housing Commission's*** internal control over financial reporting and compliance.

*Smith + Klayman PC*

***Saginaw, Michigan***

November 16, 2018

# **Traverse City Housing Commission**

## **Management's Discussion and Analysis (MD&A) For the Year Ended June 30, 2018**

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As management of the Traverse City Housing Commission we offer readers of this audit report this management's discussion and analysis of the Traverse City Housing Commission's financial activities for the fiscal year ended June 30, 2018. This discussion and analysis of the Traverse City Housing Commission's financial performance should be read in conjunction with the auditor's report and the following financial statements.

The combined financial statements reflect all of the Housing Commission's federally funded programs and activities in one place. The Housing Commission reports all its activities and programs using the Enterprise Fund type model. HUD encourages PHAs to use this accounting method as it is normally used to account for "business-type activities" – activities similar to those found in the private sector. Enterprise Funds use the accrual method of accounting, the same accounting method employed by most private-sector businesses. Under this method, revenues and expenses may be reported as such even though no cash transaction has actually taken place.

### **FINANCIAL HIGHLIGHTS**

The term "net position" refers to the difference between assets and liabilities. The Housing Commission's total net position at year-end was \$2,244,202. The net position decreased by \$86,651, or 3.7% from the prior year.

Revenues and contributions for the Housing Commission were \$2,153,339 during the year. This was a decrease of \$14,079 or .6% from the prior year.

Expenses for the Housing Commission were \$2,239,990 during the year. This was a decrease of \$53,747 or 2.3% from the prior year.

HUD operating grants were \$1,368,825 during the year. This represents a decrease of \$51,196 or 3.6% from the prior year. Capital contributions were \$104,794 during the year. This was a decrease of \$54,338 or 34% from the prior year.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report contains this *Management's & Discussion Analysis*, the *Basic Financial Statements* and the *Notes to the Financial Statements*. This report also contains the Financial Data Schedule (FDS) as referenced in the section titled *Other Supplementary Information*. The Housing Commission's financial statements are presented as fund financial statements because the Housing Commission only has a proprietary fund.

### **Required Financial Statements**

The *Statement of Net Position* includes the Housing Commission's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations of the Housing Commission's creditors (liabilities). It also provides the basis for evaluating the liquidity and financial flexibility of the Housing Commission.

# Traverse City Housing Commission

## Management's Discussion and Analysis (MD&A)

*For the Year Ended June 30, 2018*

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All of the current year's revenues and expenses are accounted for in the *Statement of Revenues, Expenses and Changes in Fund Net Position*. This statement measures the success of the Housing Commission's operations over the past year and can be used to determine whether the Housing Commission has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the *Statement of Cash Flows*. The statement reports cash receipts, cash payments and net changes in cash resulting from operations, investing and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements and provide more detailed data.

### Other Supplementary Information

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *Other Supplementary Information*. HUD has established Uniform Financial Reporting Standards that require Housing Commissions to submit financial information electronically to HUD using the FDS format. This financial information was electronically transmitted to the Real Estate Assessment Center (REAC) and is required to be included in the audit reporting package.

The Financial Data Schedule reports the Housing Commission's operations in more detail. The Housing Commission reports all its activities using Enterprise fund types. These funds are used to show activities that operate more like commercial enterprises.

### **FINANCIAL ANALYSIS**

Over time, changes in net position may serve as a useful indicator of the Housing Commission's financial position. As stated in the following table, assets exceeded liabilities by \$2,244,202 at the close of the fiscal year, a decrease of \$86,651. The decrease in net position was primarily attributed to normal business fluctuations from year to year.

The unrestricted net position was \$644,902 at year-end. This amount may be used to meet the Housing Commission's ongoing obligations. The Housing Commission had net position classified as restricted in the amount of \$101,817 which is subject to external restrictions on how the funds may be used. The amount of restricted net position is restricted for unexpended loan proceeds and an investment in a joint venture. At the end of the year, the Housing Commission is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year.



## Traverse City Housing Commission

### Management's Discussion and Analysis (MD&A)

*For the Year Ended June 30, 2018*

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	<u>2018</u>	<u>2017</u>
Current and other assets	\$ 916,871	\$ 971,560
Capital assets not being depreciated	297,665	297,665
Capital assets being depreciated, net	<u>1,758,449</u>	<u>1,882,869</u>
Total assets	<u>2,972,985</u>	<u>3,152,094</u>
Liabilities, current	231,573	256,423
Liabilities, noncurrent	<u>497,210</u>	<u>564,818</u>
Total liabilities	<u>728,783</u>	<u>821,241</u>
Net investment in capital assets	1,497,483	1,561,192
Restricted	101,817	54,074
Unrestricted	<u>644,902</u>	<u>715,587</u>
Total net position	<u>\$ 2,244,202</u>	<u>\$ 2,330,853</u>

The net decrease in total assets was due in large part to a net decrease in cash and capital assets.

The decrease in total liabilities was due in large part having made the required debt payments.

The largest portion of the Housing Commission's net position reflects its investment in capital assets (e.g. land, buildings and equipment) less accumulated depreciation, net of related debt. The Housing Commission uses these capital assets to provide service and consequently these assets are not available to liquidate liabilities or other spending.

While the Statement of Net Position shows the balances in net position, the Statement of Revenues, Expenses and Changes in Fund Net Position provides answers as to the nature and source of these changes.

**Traverse City Housing Commission**  
**Management's Discussion and Analysis (MD&A)**  
***For the Year Ended June 30, 2018***

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	<u>2018</u>	<u>2017</u>
Revenues:		
Program revenues:		
Charges for services-tenant rent	\$ 432,791	\$ 432,861
Program grants and subsidies	1,368,825	1,420,021
Capital grants	104,794	159,132
General revenues:		
Other revenue	244,414	152,108
Interest earned on deposits	<u>2,515</u>	<u>3,296</u>
Total revenues	<u>2,153,339</u>	<u>2,167,418</u>
 Expenses – housing program	 <u>2,239,990</u>	 <u>2,293,737</u>
 Increase (decrease) in net position	 (86,651)	 (126,319)
 Net position – beginning of the year	 <u>2,330,853</u>	 <u>2,457,172</u>
 Net position – end of the year	 <u>\$ 2,244,202</u>	 <u>\$ 2,330,853</u>

***Revenues:***

As shown in the above table, total revenues decreased by \$14,079, due in large part to decreases in grants from HUD. Other revenue increased during the year which is attributed to a grant that the Housing Commission received to invest in a joint venture with TCWFH, LLC..

***Expenses:***

Total expenses decreased \$53,747 or 2.3% from the prior year, due in large part to a decrease in maintenance items.

**CAPITAL ASSETS**

The Housing Commission's investment in capital assets, net of related debt at the end of the year was \$1,497,483. This investment in capital assets includes land, buildings, improvements, and equipment.

**Traverse City Housing Commission**  
**Management's Discussion and Analysis (MD&A)**  
*For the Year Ended June 30, 2018*

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	<u>2018</u>	<u>2017</u>
Capital assets not being depreciated		
Land	\$ 297,665	\$ 297,665
Capital assets being depreciated		
Buildings and improvements	8,293,857	8,179,432
Furniture, equipment and machinery – dwelling	101,578	103,911
Furniture, equipment and machinery – administration	<u>259,468</u>	<u>279,726</u>
Subtotal	<u>8,654,903</u>	<u>8,563,069</u>
Total capital assets	8,952,568	8,860,734
Less: accumulated depreciation	<u>(6,896,454)</u>	<u>(6,680,200)</u>
Total net capital assets	<u>\$ 2,056,114</u>	<u>\$ 2,180,534</u>

Capital assets, net of accumulated depreciation decreased by \$124,420, because the amount of depreciation expense charged (\$249,020) exceeded the amount expended for replacement of capital assets (\$124,600).

Additional information regarding the Housing Commission's capital assets is presented in the footnotes to the financial statements.

#### **DEBT ACTIVITY**

At year end, the Housing Commission had \$558,631 in long-term debt outstanding compared to \$619,342 in the prior year. The decrease is a result of the Housing Commission making its normal required debt service payments.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

As currently structured, the Housing Commission is primarily dependent upon HUD for the funding of operations as well as capital needs. Therefore, the Housing Commission is affected more by the Federal Budget than by local economic conditions. The funding of programs could be significantly affected by the Federal Budget.

Although the Housing Commission remains concerned about the future levels of HUD funding due to the State of the Federal budget, we feel that we are both financially and operationally in a strong position to continue to provide safe, sanitary, and decent housing to our residents for the foreseeable future.

In 2019 the Traverse City Housing Commission will finish work on a window and siding replacement project at Orchardview Apartments. A large portion of the funding for this project will come from the Capital Fund Program.

# **Traverse City Housing Commission**

## **Management's Discussion and Analysis (MD&A)**

*For the Year Ended June 30, 2018*

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TCHC will also continue with a management agreement with the Elk Rapids Housing Commission where TCHC staff provides technical and management assistance to ERHC on a weekly basis. ERHC owns Noble Pines Apartments, a 20-unit senior housing development in the Village of Elk Rapids.

East Bay Flats will also open in 2019 and TCHC will provide property management services to the 67-unit apartment building.

The TCHC continues its efforts to house as many participants as possible, in order to maximize rent subsidy and Section 8 HCV Administrative Fees, within the authorized budget authority and decrease expenses for all programs whenever possible.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Housing Commission's finances for all those with an interest in its finances. Questions or comments concerning any of the information contained in this report or request for additional information should be directed to:

Tony Lentych, Executive Director  
150 Pine Street  
Traverse City, Michigan 49684

**Traverse City Housing Commission**  
**Statement of Net Position**  
*June 30, 2018*

<b>Current assets</b>	
Cash and cash equivalents	\$ 598,738
Cash and cash equivalents - restricted	88,152
Cash - tenant security deposits	35,793
Investments	84,195
Accounts receivable, net	6,310
Prepaid expenses	28,683
Total current assets	<u>841,871</u>
<b>Noncurrent assets</b>	
Investment in joint venture	75,000
Capital assets	
Nondepreciable	297,665
Depreciable	8,654,903
Less: accumulated depreciation	<u>(6,896,454)</u>
Total noncurrent assets	<u>2,131,114</u>
Total assets	<u>2,972,985</u>
<b>Current liabilities</b>	
Accounts payable	11,926
Due to other governmental units	25,227
Accrued liabilities	23,004
Tenant security deposits	35,793
Unearned revenue	4,058
Current portion of long-term debt	64,424
Accrued compensated absences, current portion	5,806
Other current liabilities (payable from restricted assets)	<u>61,335</u>
Total current liabilities	<u>231,573</u>
<b>Noncurrent liabilities</b>	
Long-term debt	494,207
Accrued compensated absences	<u>3,003</u>
Total noncurrent liabilities	<u>497,210</u>
Total liabilities	<u>728,783</u>
<b>Net position</b>	
Net investment in capital assets	1,497,483
Restricted	101,817
Unrestricted	<u>644,902</u>
Total net position	<u>\$ 2,244,202</u>

*The accompanying notes are an integral part of these financial statements.*

**Traverse City Housing Commission**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
*For the Year Ended June 30, 2018*

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<b>Operating revenues</b>	
Tenant revenue	\$ 432,791
Program grants - subsidies	1,368,825
Other revenue	<u>166,864</u>
Total operating revenues	<u>1,968,480</u>
<b>Operating expenses</b>	
Administration	380,257
Tenant services	45,290
Utilities	161,768
Maintenance	280,343
Insurance	29,206
General	21,875
Housing assistance payments	1,043,088
Depreciation	<u>249,020</u>
Total operating expenses	<u>2,210,847</u>
Operating income (loss)	<u>(242,367)</u>
<b>Nonoperating revenues and (expenses)</b>	
Interest revenue - unrestricted	2,515
Fraud recovery	2,550
Other governmental grants	75,000
Interest expense	<u>(29,143)</u>
Total nonoperating revenues and (expenses)	<u>50,922</u>
Income (loss) before contributions	(191,445)
<b>Capital contributions</b>	<u>104,794</u>
Change in net position	(86,651)
<b>Net position - Beginning of year</b>	<u>2,330,853</u>
<b>Net position - End of year</b>	<u><u>\$ 2,244,202</u></u>

*The accompanying notes are an integral part of these financial statements.*

**Traverse City Housing Commission**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2018**

<b>Cash flows from operating activities</b>	
Cash received from customers	\$ 611,682
Cash received from grants and subsidies	1,368,825
Cash payments to suppliers for goods and services	(1,599,830)
Cash payments for wages and related benefits	(419,313)
Net cash provided by (used in) operating activities	<u>(38,636)</u>
<b>Cash flows from capital and related financing activities</b>	
Capital grants	104,794
Acquisition of capital assets	(124,600)
Interest paid on debt	(29,143)
Principal paid on debt	(60,711)
Net cash provided by (used in) capital and related financing activities	<u>(109,660)</u>
<b>Cash flows from noncapital and related financing activities</b>	
Other governmental grants	75,000
Investment in joint venture	(75,000)
Fraud recovery	2,550
Net cash provided by (used in) noncapital and related financing activities	<u>2,550</u>
<b>Cash flows from investing activities</b>	
Purchase of investments	(775)
Investment income	2,515
Net cash provided by (used in) investing activities	<u>1,740</u>
Net increase (decrease) in cash and cash equivalents	(144,006)
<b>Cash and cash equivalents - beginning of year</b>	<u>866,689</u>
<b>Cash and cash equivalents - end of year</b>	<u><u>\$ 722,683</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>	
Operating income (loss)	\$ (242,367)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	249,020
Changes in assets and liabilities	
Decrease (increase) in receivables	13,910
Decrease (increase) in prepaid expenses	(27,452)
Increase (decrease) in accounts payable	(34,814)
Increase (decrease) in accrued liabilities	4,950
Increase (decrease) in tenant security deposits	1,185
Increase (decrease) in unearned revenue	(3,068)
Net cash provided by (used in) operating activities	<u><u>\$ (38,636)</u></u>
<b>Reconciliation of cash and cash equivalents per the Statement of Net Position to the Statement of Cash Flows</b>	
Cash and cash equivalents	\$ 598,738
Cash and cash equivalents - restricted	88,152
Cash - tenant security deposits	35,793
<b>Cash and cash equivalents - end of year</b>	<u><u>\$ 722,683</u></u>

*The accompanying notes are an integral part of these financial statements.*

# Traverse City Housing Commission

## Notes to Financial Statements

*For the Year Ended June 30, 2018*

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### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted by the *Traverse City Housing Commission* (the “*Housing Commission*”) conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental entities.

The Housing Commission reports as a business-type activity, as defined by the Governmental Accounting Standards Board Statement No. 34, with programs and projects.

#### **Reporting Entity**

The *Traverse City Housing Commission* was formed by the Commission of the City of Traverse City, Michigan under Public Act 18 of 1933 of the State of Michigan. The Housing Commission operates under a Board of Commissioners appointed by the City Mayor. Members of the Housing Commission Board may be removed by the City only for cause. The Housing Commission determines its own budget (subject to federal approval), sets rental rates and may issue debt in its own name. The City is not responsible for deficits or liabilities of the Housing Commission. However, the Housing Commission makes annual payments “in lieu of taxes” to the City. Therefore, a financial benefit exists for the City, thereby requiring that the *Traverse City Housing Commission* be reported as a discrete component unit of the City of Traverse City, Michigan.

The Housing Commission’s financial reporting entity is comprised of the special purpose government. In determining the financial reporting entity, the Housing Commission complies with the provisions of GASB Statement No. 14, as amended by GASB Statement No. 39, “*The Financial Reporting Entity*” and includes all component units, if any, of which the Housing Commission appoints a voting majority of the units’ Board; the Housing Commission is either able to impose its will on the unit or a financial benefit or burden relationship exists. There are no agencies, organizations or activities that meet the criteria.

These financial statements include all activities of the Housing Commission, which include a Low Income Housing Program (136 units) and Section 8 Vouchers (208 units). These programs receive subsidies and annual contributions from the U.S. Department of Housing and Urban Development (“HUD”).

#### **Measurement Focus and Basis of Presentation**

The economic resources measurement focus and the accrual basis of accounting are used in preparing the financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Housing Commission are federal grants and charges to



# Traverse City Housing Commission

## Notes to Financial Statements

*For the Year Ended June 30, 2018*

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customers for services. Operating expenses include housing assistance payments, administrative expenses, tenant services, utilities, maintenance, insurance and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Following is a description of the Housing Commission's programs:

Project MI080000001 accounts for the revenue and related operations of the Public and Indian Housing grant and the Capital Fund Program.

14.871 Section 8 Housing Choice Vouchers Programs, accounts for the revenue and related operations of the Section 8 vouchers grant program.

When both restricted and unrestricted resources are available for use, it is the Housing Commission's policy to use restricted resources first, then unrestricted resources as they are needed.

### **Assets, Liabilities and Equity**

#### **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand, deposits in demand and time deposit accounts, money market deposits and certificates of deposits with original maturities of less than 90 days.

Cash and cash equivalents – restricted on the Statement of Net Position has been restricted for unspent loan proceeds, FSS escrow and future housing assistance payments to landlords.

#### **Receivables and Payables**

All receivables and payables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

#### **Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid expenses.

#### **Investment in Joint Venture**

The Housing Commission has a \$75,000 investment with TCWFH, LLC. of which it owns 51%. It is expected that TCWFH, LLC will not have any significant financial activity to report in the Housing Commission's financial statements.

#### **Capital Assets**

Capital assets, which include property, buildings and equipment, are reported in the financial statements. Capital assets are defined by the Housing Commission as assets with an initial, individual cost of more than \$1,500 and an estimated useful life in excess of two years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Such assets are recorded at historical cost or estimated

# Traverse City Housing Commission

## Notes to Financial Statements

*For the Year Ended June 30, 2018*

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historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation is recorded using the straight-line method over the following estimated useful lives:

Buildings	10 to 40 years
Furniture, equipment and machinery – dwelling	7 years
Furniture, equipment and machinery – administration	5 to 10 years

### **Compensated Absences**

It is the Housing Commission's policy to permit employees to accumulate a limited amount of earned but unused sick leave and vacation days. Employees of the Housing Commission are permitted to carryover 24 hours of unused sick days from one year to the next. Liabilities are recorded based on historical trends using short-term and long-term liabilities. Upon separation from the Housing Commission, employees will be paid their balance of unused vacation days.

### **Other Current Liabilities**

This balance consists mainly of amounts held in the Family Self Sufficiency Escrow account.

### **Unearned Revenue**

Unearned revenue represents tenant revenue for the subsequent year that was collected prior to the end of the current fiscal year.

### **Equity**

Equity is classified as net position and reported as the following components:

*Net investment in capital assets* - Consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any bonds, mortgages, notes or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted net position* – Consists of the Housing Commissions investment in ownership of TCWFH, LLC, a Michigan limited liability company. For the current year this amounted to \$75,000. The remaining \$26,817 consists of unspent loan proceeds.

*Unrestricted net position* - Consists of all other equity that does not meet the definition of "restricted" or "net investment in capital assets".

# Traverse City Housing Commission

## Notes to Financial Statements

*For the Year Ended June 30, 2018*

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### Revenues and Expenses

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. Also included, all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. Expenses are classified as operating and nonoperating and are sub-classified by function, such as salaries, supplies, and contracted services.

### Estimates

In preparing financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **NOTE B - DETAILED NOTES ON TRANSACTION CLASSES / ACCOUNTS**

### **Deposits and Investments**

At year-end, the carrying amount of the Housing Commission's deposits was as follows:

	<u>Carrying Amount</u>
Financial Statement Captions	
Cash and cash equivalents	\$ 598,738
Cash and cash equivalents – restricted	88,152
Cash – tenant security deposits	35,793
Investments	<u>84,195</u>
Total	<u><u>\$ 806,878</u></u>
Notes to Financial Statements	
Cash on hand	\$ 281
Demand deposits (checking)	722,402
Certificates of deposit	<u>84,195</u>
Total	<u><u>\$ 806,878</u></u>

### **Deposit and Investment Risk**

State law limits the allowable investments and the maturities of some of the allowable investments as identified in the following list of authorized investments.

- Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States
- Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution

# Traverse City Housing Commission

## Notes to Financial Statements

*For the Year Ended June 30, 2018*

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- Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase
- Bankers acceptances of United States banks
- Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service
- Mutual funds registered under the investment company act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation
- External investment pools as authorized by Public Act 20 as amended through December 31, 1997

### *Interest Rate Risk*

The Housing Commission's investment policy does not have specific limits in excess of State law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

### *Credit Risk*

The Housing Commission's investment policy does not have specific limits in excess of State law on investment credit risk. At year-end, the Housing Commission had no investments and was therefore, not exposed to credit risk.

### *Custodial Credit Risk – Deposits*

Custodial credit risk is the risk that in the event of a bank failure, the Housing Commission's deposits may not be returned. State law does not require and the Housing Commission does not have a policy for deposit custodial credit risk. At year-end, the Housing Commission's entire bank balance of \$818,536 was not exposed to custodial credit risk because it was insured under FDIC.

### *Concentration of Credit Risk*

State law limits allowable investments but does not limit concentration of credit risk. The Housing Commission's investment policy does not have specific limits in excess of State law on concentration of credit risk. At year-end, The Housing Commission had no investments and was therefore, not exposed to concentration of credit risk.

# Traverse City Housing Commission

## Notes to Financial Statements

*For the Year Ended June 30, 2018*

### Accounts Receivable

The balance in accounts receivable was comprised of the following:

Tenant receivables	\$	8,150
Allowance for doubtful accounts		(3,775)
Interest receivable		131
Miscellaneous receivable		<u>1,804</u>
Total receivables, net	\$	<u>6,310</u>

### Capital Assets

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 297,665	\$ -	\$ -	\$ 297,665
Capital assets being depreciated				
Buildings and improvements	8,179,432	117,773	(3,348)	8,293,857
Furniture, equipment and machinery – dwelling	103,911	6,827	(9,160)	101,578
Furniture, equipment and machinery – administration	<u>279,726</u>	<u>-</u>	<u>(20,258)</u>	<u>259,468</u>
Total capital assets being depreciated	8,563,069	124,600	(32,766)	8,654,903
Less accumulated depreciation	<u>(6,680,200)</u>	<u>(249,020)</u>	<u>32,766</u>	<u>(6,896,454)</u>
Net capital assets being depreciated	<u>1,882,869</u>	<u>(124,420)</u>	<u>-</u>	<u>1,758,449</u>
Total net capital assets	<u>\$ 2,180,534</u>	<u>\$ (124,420)</u>	<u>\$ -</u>	<u>\$ 2,056,114</u>

### Long-term Debt

Following is a summary of changes in long-term debt for the year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
HUD loan	\$ 437,418	\$ -	\$ (31,613)	\$ 405,805	\$ 33,213
Lease / purchase agreement	181,924	-	(29,098)	152,826	31,211
Accrued compensated absences	<u>14,661</u>	<u>-</u>	<u>(5,852)</u>	<u>8,809</u>	<u>5,806</u>
Total	<u>\$ 634,003</u>	<u>\$ -</u>	<u>\$ (66,563)</u>	<u>\$ 567,440</u>	<u>\$ 70,230</u>

# Traverse City Housing Commission

## Notes to Financial Statements

*For the Year Ended June 30, 2018*

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The HUD loan was entered into in 2008, has an interest rate of 4.95% and matures in 2028. The lease purchase agreement was entered into in 2013 for the purpose of acquiring energy performance equipment, has an interest rate of 2.3% and matures in 2022.

Maturities of the HUD loan and lease purchase agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 64,424	\$ 26,103
2020	67,600	22,900
2021	70,962	19,539
2022	74,490	16,010
2023	59,107	12,420
2024-2028	<u>222,048</u>	<u>27,582</u>
	<u>\$ 558,631</u>	<u>\$ 124,554</u>

### **NOTE C - OTHER INFORMATION**

#### **Concentration of Revenue**

The Housing Commission is dependent upon HUD to fund its operations through operating subsidies and capital funding grants. Total revenue received from HUD for 2018 and 2017 was \$1,473,619 or 68% and \$1,579,153 or 73% of revenue, respectively.

#### **Contingencies**

Under the terms of certain Federal and State grants, periodic audits are required and certain costs may be questioned as not representing appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. Housing Commission management believes disallowances, if any, would be minimal.

#### **Risk Management**

The Housing Commission is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Housing Commission maintains commercial insurance covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Housing Commission. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

# Traverse City Housing Commission

## Notes to Financial Statements

*For the Year Ended June 30, 2018*

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### **Employee Benefit Plan**

The Housing Commission participates in a 457 Deferred Compensation Pension Plan covering full-time employees that have completed a six-month probation period. Employees are not required to contribute to the Plan, however, if they do participate, the Housing Commission matches the employee contribution to the Plan up to 3% of the employees gross salary. Once a year, the Housing Commission contributes 4% of gross wages to the Plan for all full-time employees, whether or not they participate. Upon separation, accrued funds remain the property of the employee. During the fiscal year the Housing Commission contributed a total of \$19,466 and employees contributed \$10,223 to the Plan.

### **Capital Fund Program**

The Housing Commission is awarded Capital Fund Program (CFP) grants on a calendar year basis from HUD. The Housing Commission is required to obligate each of the CFP grant years within two years of receiving the award and is required to expend those funds within four years. The following CFP grant years were expended and recognized as revenue and / or capital contributions during the year:

<u>CFP Grant Year</u>	<u>Amount Expended</u>
2015	\$ 61,312
2016	<u>43,482</u>
Total	<u>\$ 104,794</u>

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**Traverse City Housing Commission**  
**Financial Data Schedule**  
**Project Balance Sheet**  
**June 30, 2018**

Line Item #	Account Description	Project MI080000001
111	Cash - Unrestricted	\$ 472,989
112	Cash - Restricted - Modernization and Development	26,817
114	Cash - Tenant Security Deposits	35,793
100	Total Cash	<u>535,599</u>
125	Accounts Receivable - Miscellaneous	1,804
126	Accounts Receivable - Tenants	8,150
126.1	Allowance for Doubtful Accounts - Tenants	(3,775)
129	Accrued Interest Receivable	131
120	Total Receivables, Net of Allowances for Doubtful Accounts	<u>6,310</u>
131	Investments - Unrestricted	84,195
142	Prepaid Expenses and Other Assets	<u>28,402</u>
150	Total Current Assets	<u>654,506</u>
161	Land	297,665
162	Buildings	8,293,857
163	Furniture, Equipment & Machinery - Dwellings	101,578
164	Furniture, Equipment & Machinery - Administration	253,411
166	Accumulated Depreciation	(6,891,763)
160	Total Capital Assets, Net of Accumulated Depreciation	<u>2,054,748</u>
176	Investment in Joint Venture	<u>75,000</u>
180	Total Non-Current Assets	<u>2,129,748</u>
290	Total Assets	<u>\$ 2,784,254</u>
312	Accounts Payable <= 90 Days	\$ 10,076
321	Accrued Wage/Payroll Taxes Payable	9,615
322	Accrued Compensated Absences - Current Portion	4,873
333	Accounts Payable - Other Government	25,227
341	Tenant Security Deposits	35,793
342	Unearned Revenues	4,058
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	64,424
346	Accrued Liabilities - Other	9,899
310	Total Current Liabilities	<u>163,965</u>
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	494,207
354	Accrued Compensated Absences - Non-Current	2,703
350	Total Non-Current Liabilities	<u>496,910</u>
300	Total Liabilities	<u>660,875</u>
508.4	Net Investment in Capital Assets	1,496,117
511.4	Restricted Net Position	101,817
512.4	Unrestricted Net Position	<u>525,445</u>
513	Total Equity - Net Assets / Position	<u>2,123,379</u>
600	Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position	<u>\$ 2,784,254</u>



**Traverse City Housing Commission**  
**Financial Data Schedule**  
**Project Income Statement**  
**For the Year Ended June 30, 2018**

Line Item #	Account Description	Total Projects	Project MI080000001	Operating Fund Program	Capital Fund Program
70300	Net Tenant Rental Revenue	\$ 431,676	\$ 431,676	\$ 431,676	\$ -
70400	Tenant Revenue - Other	1,115	1,115	1,115	-
70500	Total Tenant Revenue	432,791	432,791	432,791	-
70600	HUD PHA Operating Grants	243,751	243,751	243,751	-
70610	Capital Grants	104,794	104,794	-	104,794
70800	Other Government Grants	75,000	75,000	75,000	-
71100	Investment Income - Unrestricted	2,515	2,515	2,515	-
71500	Other Revenue	158,332	158,332	158,332	-
70000	Total Revenue	1,017,183	1,017,183	912,389	104,794
91100	Administrative Salaries	127,924	127,924	127,924	-
91200	Auditing Fees	3,000	3,000	3,000	-
91400	Advertising and Marketing	444	444	444	-
91500	Employee Benefit Contributions - Administrative	40,921	40,921	40,921	-
91600	Office Expenses	45,004	45,004	45,004	-
91700	Legal Expense	5,549	5,549	5,549	-
91800	Travel	4,910	4,910	4,910	-
91900	Other	6,279	6,279	6,279	-
91000	Total Operating - Administrative	234,031	234,031	234,031	-
92400	Tenant Services - Other	45,290	45,290	45,290	-
92500	Total Tenant Services	45,290	45,290	45,290	-
93100	Water	15,395	15,395	15,395	-
93200	Electricity	130,384	130,384	130,384	-
93300	Gas	15,989	15,989	15,989	-
93000	Total Utilities	161,768	161,768	161,768	-
94100	Ordinary Maintenance and Operations - Labor	103,633	103,633	103,633	-
94200	Ordinary Maintenance and Operations - Materials and Other	23,144	23,144	23,144	-
94300	Ordinary Maintenance and Operations Contracts	116,156	116,156	116,156	-
94500	Employee Benefit Contributions - Ordinary Maintenance	36,166	36,166	36,166	-
94000	Total Maintenance	279,099	279,099	279,099	-
96140	All Other Insurance	29,206	29,206	29,206	-
96100	Total Insurance Premiums	29,206	29,206	29,206	-
96210	Compensated Absences	(4,529)	(4,529)	(4,529)	-
96300	Payments in Lieu of Taxes	25,227	25,227	25,227	-
96400	Bad Debt - Tenant Rents	799	799	799	-
96000	Total Other General Expenses	21,497	21,497	21,497	-
96710	Interest on Mortgage (or Bonds) Payable	20,941	20,941	-	20,941
96720	Interest on Notes Payable (Short and Long Term)	8,202	8,202	8,202	-
96700	Total Interest Expense and Amortization Cost	29,143	29,143	8,202	20,941
96900	Total Operating Expenses	800,034	800,034	779,093	20,941
97000	Excess of Operating Revenue over Operating Expenses	217,149	217,149	133,296	83,853
97100	Extraordinary Maintenance	1,244	1,244	1,244	-
97400	Depreciation Expense	248,414	248,414	240,329	8,085
90000	Total Expenses	1,049,692	1,049,692	1,020,666	29,026
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(32,509)	(32,509)	(108,277)	75,768
11020	Required Annual Debt Principal Payments	60,711	60,711	29,099	31,612
11030	Beginning Equity	2,155,888	2,155,888	2,155,888	-
11190	Unit Months Available	1,620	1,620	1,620	-
11210	Number of Unit Months Leased	1,610	1,610	1,610	-
11270	Excess Cash	370,398	370,398	370,398	-
11620	Building Purchases	52,240	52,240	-	52,240
13510	CFFP Debt Service Payments	52,554	52,554	-	52,554

**Traverse City Housing Commission**  
**Financial Data Schedule**  
**Program Financials - Balance Sheet**  
*June 30, 2018*

<b>Line Item #</b>	<b>Account Description</b>	<b>14.871 Housing Choice Vouchers</b>
111	Cash - Unrestricted	\$ 125,749
115	Cash - Restricted for Payment of Current Liabilities	61,335
100	Total Cash	<u>187,084</u>
142	Prepaid Expenses and Other Assets	<u>281</u>
150	Total Current Assets	<u>187,365</u>
164	Furniture, Equipment & Machinery - Administration	6,057
166	Accumulated Depreciation	(4,691)
160	Total Capital Assets, Net of Accumulated Depreciation	<u>1,366</u>
180	Total Non-Current Assets	<u>1,366</u>
290	Total Assets	<u><u>\$ 188,731</u></u>
312	Accounts Payable <= 90 Days	\$ 1,850
321	Accrued Wage/Payroll Taxes Payable	3,490
322	Accrued Compensated Absences - Current Portion	933
345	Other Current Liabilities	61,335
310	Total Current Liabilities	<u>67,608</u>
354	Accrued Compensated Absences - Non-Current	<u>300</u>
350	Total Non-Current Liabilities	<u>300</u>
300	Total Liabilities	<u>67,908</u>
508.4	Net Investment in Capital Assets	1,366
512.4	Unrestricted Net Position	<u>119,457</u>
513	Total Equity - Net Assets / Position	<u>120,823</u>
600	Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position	<u><u>\$ 188,731</u></u>

**Traverse City Housing Commission**  
**Financial Data Schedule**  
**Program Financials - Income Statement**  
*For the Year Ended June 30, 2018*

<b>Line Item #</b>	<b>Account Description</b>	<b>14.871 Housing Choice Vouchers</b>
70600	HUD PHA Operating Grants	\$ 1,125,074
71400	Fraud Recovery	2,550
71500	Other Revenue	8,532
70000	Total Revenue	1,136,156
91100	Administrative Salaries	85,825
91200	Auditing Fees	3,000
91500	Employee Benefit Contributions - Administrative	29,794
91600	Office Expenses	16,874
91700	Legal Expenses	781
91800	Travel	1,959
91900	Other	7,993
91000	Total Operating - Administrative	146,226
96200	Other General Expenses	378
96000	Total Other General Expenses	378
96900	Total Operating Expenses	146,604
97000	Excess of Operating Revenue over Operating Expenses	989,552
97300	Housing Assistance Payments	1,043,088
97400	Depreciation Expense	606
90000	Total Expenses	1,190,298
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(54,142)
11030	Beginning Equity	174,965
11170	Administrative Fee Equity	133,576
11180	Housing Assistance Payments Equity	(12,753)
11190	Unit Months Available	2,026
11210	Number of Unit Months Leased	1,968

**Traverse City Housing Commission**  
**Financial Data Schedule**  
**PHA Financial Data - Balance Sheet**  
**June 30, 2018**

Line Item #	Account Description	Project Totals	Program Totals	Subtotal	Total
111	Cash - Unrestricted	\$ 472,989	\$ 125,749	\$ 598,738	\$ 598,738
112	Cash - Restricted - Modernization and Development	26,817	-	26,817	26,817
114	Cash - Tenant Security Deposits	35,793	-	35,793	35,793
115	Cash - Restricted for Payment of Current Liabilities	-	61,335	61,335	61,335
100	Total Cash	535,599	187,084	722,683	722,683
125	Accounts Receivable - Miscellaneous	1,804	-	1,804	1,804
126	Accounts Receivable - Tenants	8,150	-	8,150	8,150
126.1	Allowance for Doubtful Accounts - Tenants	(3,775)	-	(3,775)	(3,775)
129	Accrued Interest Receivable	131	-	131	131
120	Total Receivables, Net of Allowances for Doubtful Accounts	6,310	-	6,310	6,310
131	Investments - Unrestricted	84,195	-	84,195	84,195
142	Prepaid Expenses and Other Assets	28,402	281	28,683	28,683
150	Total Current Assets	654,506	187,365	841,871	841,871
161	Land	297,665	-	297,665	297,665
162	Buildings	8,293,857	-	8,293,857	8,293,857
163	Furniture, Equipment & Machinery - Dwellings	101,578	-	101,578	101,578
164	Furniture, Equipment & Machinery - Administration	253,411	6,057	259,468	259,468
166	Accumulated Depreciation	(6,891,763)	(4,691)	(6,896,454)	(6,896,454)
160	Total Capital Assets, Net of Accumulated Depreciation	2,054,748	1,366	2,056,114	2,056,114
176	Investment in Joint Venture	75,000	-	75,000	75,000
180	Total Non-Current Assets	2,129,748	1,366	2,131,114	2,131,114
290	Total Assets	\$ 2,784,254	\$ 188,731	\$ 2,972,985	\$ 2,972,985
312	Accounts Payable <= 90 Days	\$ 10,076	\$ 1,850	\$ 11,926	\$ 11,926
321	Accrued Wage/Payroll Taxes Payable	9,615	3,490	13,105	13,105
322	Accrued Compensated Absences - Current Portion	4,873	933	5,806	5,806
333	Accounts Payable - Other Government	25,227	-	25,227	25,227
341	Tenant Security Deposits	35,793	-	35,793	35,793
342	Unearned Revenues	4,058	-	4,058	4,058
343	Current Portion of Long-term Debt - Capital Projects/ Mortgage Revenue Bonds	64,424	-	64,424	64,424
345	Other Current Liabilities	-	61,335	61,335	61,335
346	Accrued Liabilities - Other	9,899	-	9,899	9,899
310	Total Current Liabilities	163,965	67,608	231,573	231,573
351	Long-term Debt, Net of Current - Capital Projects/ Mortgage Revenue Bonds	494,207	-	494,207	494,207
354	Accrued Compensated Absences - Non-Current	2,703	300	3,003	3,003
350	Total Non-Current Liabilities	496,910	300	497,210	497,210
300	Total Liabilities	660,875	67,908	728,783	728,783
508.4	Net Investment in Capital Assets	1,496,117	1,366	1,497,483	1,497,483
511.4	Restricted Net Position	101,817	-	101,817	101,817
512.4	Unrestricted Net Position	525,445	119,457	644,902	644,902
513	Total Equity - Net Assets / Position	2,123,379	120,823	2,244,202	2,244,202
600	Total Liab., Def. Inflow of Res., and Equity - Net Assets / Positior	\$ 2,784,254	\$ 188,731	\$ 2,972,985	\$ 2,972,985

**Traverse City Housing Commission**  
**Financial Data Schedule**  
**PHA Financial Data - Income Statement**  
**For the Year Ended June 30, 2018**

Line Item #	Account Description	Project Totals	Program Totals	Subtotal	Total
70300	Net Tenant Rental Revenue	\$ 431,676	\$ -	\$ 431,676	\$ 431,676
70400	Tenant Revenue - Other	1,115	-	1,115	1,115
70500	Total Tenant Revenue	432,791	-	432,791	432,791
70600	HUD PHA Operating Grants	243,751	1,125,074	1,368,825	1,368,825
70610	Capital Grants	104,794	-	104,794	104,794
70800	Other Government Grants	75,000	-	75,000	75,000
71100	Investment Income - Unrestricted	2,515	-	2,515	2,515
71400	Fraud Recovery	-	2,550	2,550	2,550
71500	Other Revenue	158,332	8,532	166,864	166,864
70000	Total Revenue	1,017,183	1,136,156	2,153,339	2,153,339
91100	Administrative Salaries	127,924	85,825	213,749	213,749
91200	Auditing Fees	3,000	3,000	6,000	6,000
91400	Advertising and Marketing	444	-	444	444
91500	Employee Benefit Contributions - Administrative	40,921	29,794	70,715	70,715
91600	Office Expenses	45,004	16,874	61,878	61,878
91700	Legal Expense	5,549	781	6,330	6,330
91800	Travel	4,910	1,959	6,869	6,869
91900	Other	6,279	7,993	14,272	14,272
91000	Total Operating - Administrative	234,031	146,226	380,257	380,257
92400	Tenant Services - Other	45,290	-	45,290	45,290
92500	Total Tenant Services	45,290	-	45,290	45,290
93100	Water	15,395	-	15,395	15,395
93200	Electricity	130,384	-	130,384	130,384
93300	Gas	15,989	-	15,989	15,989
93000	Total Utilities	161,768	-	161,768	161,768
94100	Ordinary Maintenance and Operations - Labor	103,633	-	103,633	103,633
94200	Ordinary Maintenance and Operations - Materials and Other	23,144	-	23,144	23,144
94300	Ordinary Maintenance and Operations Contracts	116,156	-	116,156	116,156
94500	Employee Benefit Contributions - Ordinary Maintenance	36,166	-	36,166	36,166
94000	Total Maintenance	279,099	-	279,099	279,099
96140	All Other Insurance	29,206	-	29,206	29,206
96100	Total Insurance Premiums	29,206	-	29,206	29,206
96200	Other General Expenses	-	378	378	378
96210	Compensated Absences	(4,529)	-	(4,529)	(4,529)
96300	Payments in Lieu of Taxes	25,227	-	25,227	25,227
96400	Bad Debt - Tenant Rents	799	-	799	799
96000	Total Other General Expenses	21,497	378	21,875	21,875

**Traverse City Housing Commission**  
**Financial Data Schedule**  
**PHA Financial Data - Income Statement**  
*For the Year Ended June 30, 2018*

<b>Line Item #</b>	<b>Account Description</b>	<b>Project Totals</b>	<b>Program Totals</b>	<b>Subtotal</b>	<b>Total</b>
96710	Interest on Mortgage (or Bonds) Payable	\$ 20,941	\$ -	\$ 20,941	\$ 20,941
96720	Interest on Notes Payable (Short and Long Term)	8,202	-	8,202	8,202
96700	Total Interest Expense and Amortization Cost	29,143	-	29,143	29,143
96900	Total Operating Expenses	800,034	146,604	946,638	946,638
97000	Excess of Operating Revenue over Operating Expenses	217,149	989,552	1,206,701	1,206,701
97100	Extraordinary Maintenance	1,244	-	1,244	1,244
97300	Housing Assistance Payments	-	1,043,088	1,043,088	1,043,088
97400	Depreciation Expense	248,414	606	249,020	249,020
90000	Total Expenses	1,049,692	1,190,298	2,239,990	2,239,990
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(32,509)	(54,142)	(86,651)	(86,651)
11020	Required Annual Debt Principal Payments	60,711	-	60,711	60,711
11030	Beginning Equity	2,155,888	174,965	2,330,853	2,330,853
11170	Administrative Fee Equity	-	133,576	133,576	133,576
11180	Housing Assistance Payments Equity	-	(12,753)	(12,753)	(12,753)
11190	Unit Months Available	1,620	2,026	3,646	3,646
11210	Number of Unit Months Leased	1,610	1,968	3,578	3,578
11270	Excess Cash	370,398	-	370,398	370,398
11620	Building Purchases	52,240	-	52,240	52,240
13510	CFFP Debt Service Payments	52,554	-	52,554	52,554



SMITH & KLACZKIEWICZ, PC  
CERTIFIED PUBLIC ACCOUNTANTS

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A VETERAN OWNED BUSINESS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Commissioners  
Traverse City Housing Commission  
Traverse City, MI

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the *Traverse City Housing Commission*, a component unit of the City of Traverse City, Michigan as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the *Traverse City Housing Commission's* basic financial statements and have issued our report thereon dated November 16, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the *Traverse City Housing Commission's* internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the *Traverse City Housing Commission's* internal control. Accordingly, we do not express an opinion on the effectiveness of the *Traverse City Housing Commission's* internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the *Traverse City Housing Commission's* financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Smith + Klayman PC*

*Saginaw, Michigan*

November 16, 2018





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A VETERAN OWNED BUSINESS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE**

To the Board of Commissioners  
Traverse City Housing Commission  
Traverse City, Michigan

**Report on Compliance for Each Major Federal Program**

We have audited the *Traverse City Housing Commission's* compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the *Traverse City Housing Commission's* major federal programs for the year ended June 30, 2018. The *Traverse City Housing Commission's* major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the *Traverse City Housing Commission's* major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the *Traverse City Housing Commission's* compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the *Traverse City Housing Commission's* compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the ***Traverse City Housing Commission*** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

### **Report on Internal Control over Compliance**

Management of the ***Traverse City Housing Commission*** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the ***Traverse City Housing Commission's*** internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the ***Traverse City Housing Commission's*** internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Smith + Klaehring PC*

***Saginaw, Michigan***  
November 16, 2018

**Traverse City Housing Commission**  
**Schedule of Expenditures of Federal Awards**  
*For the Year Ended June 30, 2018*

<b>Federal Agency / Pass Through Agency / Program Title</b>	<b>Federal CFDA Number</b>	<b>Amount Expended</b>
<b>Department of Housing and Urban Development</b>		
Direct programs:		
Public and Indian Housing	14.850	\$ 243,751
Section 8 Housing Choice Vouchers	14.871	1,122,590
Section 8 Housing Choice Vouchers - Family Self Sufficiency	14.871	67,102
Total Section 8 Housing Choice Vouchers		<u>1,189,692</u>
Public Housing Capital Fund	14.872	104,794
Total Department of Housing and Urban Development		<u>\$ 1,538,237</u>
<b>Reconciliation to Statement of Activities</b>		
Federal revenue reported on the Statement of Activities:		
Program grants - subsidies		\$ 1,368,825
Capital grants		104,794
Change in equity		<u>64,618</u>
Total expenditures per Schedule of Expenditures of Federal Awards		<u>\$ 1,538,237</u>

See accompanying notes to schedule of expenditures of federal awards

**Traverse City Housing Commission**  
**Notes to Schedule of Expenditures of Federal Awards**  
***For the Year Ended June 30, 2018***

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**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the **Traverse City Housing Commission** under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the **Traverse City Housing Commission**, it is not intended to and does not present the financial position, changes in net position or cash flows of the **Traverse City Housing Commission**.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

For purposes of charging indirect costs to federal awards, the **Saint Louis Housing Commission** has elected not to use the 10 percent de minimis cost rate as permitted by 2 CFR section 200.414 of the Uniform Guidance.

**Note 3 - Subrecipients**

None of the federal expenditures presented in the Schedule were provided to subrecipients.

**Traverse City Housing Commission**  
**Schedule of Findings and Questioned Costs (continued)**  
**For the Year Ended June 30, 2018**

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**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting

- Material weakness(es) identified? \_\_\_\_\_ Yes \_\_\_\_\_ **X** No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes \_\_\_\_\_ **X** None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes \_\_\_\_\_ **X** No

**Federal Awards**

Type of auditor's report issued on compliance for major program(s): Unmodified

Internal control over major program(s)

- Material weakness(es) identified? \_\_\_\_\_ Yes \_\_\_\_\_ **X** No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes \_\_\_\_\_ **X** None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516.(a)? \_\_\_\_\_ Yes \_\_\_\_\_ **X** No

**Identification of major program(s):**

CFDA Number	Name of Federal Program(s) or Cluster(s)
14.871	Section 8 Housing Choice Vouchers

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualify as a low-risk auditee? \_\_\_\_\_ **X** Yes \_\_\_\_\_ No

**Traverse City Housing Commission**  
**Schedule of Findings and Questioned Costs (*concluded*)**  
***For the Year Ended June 30, 2018***

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**Section II - Financial Statement Audit Findings**

None

**Section III - Federal Program Audit Findings and Questioned Costs**

None

**Section IV - Summary Schedule of Prior Year Audit Findings**

None



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A VETERAN OWNED BUSINESS

November 16, 2018

To the Board of Commissioners  
Traverse City Housing Commission

We have audited the financial statements of the business-type activities of the *Traverse City Housing Commission* for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 26, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the *Traverse City Housing Commission* are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2018. We noted no transactions entered into by the *Traverse City Housing Commission* during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the *Traverse City Housing Commission's* financial statements were:

Management's estimate of the useful lives of depreciable assets is based on the length of time it is believed that those assets will provide some economic benefit in the future. We evaluated the key factors and assumptions used to develop the useful lives of those assets in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the accrued compensated absences is based on current vested hours in employee banks, current hourly rates and policies regarding payment of accrued compensated absences upon separation from employment. We evaluated the key factors and assumptions used to develop the estimate in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 16, 2018.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the **Traverse City Housing Commission's** financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the **Traverse City Housing Commission's** auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.



We were engaged to report on the financial data schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Commissioners and management of the *Traverse City Housing Commission* and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Smith + Klaugheirig PC*

*Saginaw, Michigan*

# TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684


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## MEMORANDUM

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**DATE:** November 30, 2018

**TO:** All Commissioners of the Traverse City Housing Commission

**FROM:** Tony Lentych, Executive Director 

**SUBJECT:** 2019 TCHC Regular Meeting Schedule/Calendar

**MESSAGE:**

A draft schedule/calendar of regular meetings is attached to this memorandum. It nearly identical the schedule/calendar that you adopted last year. November, however, does allow for a regular meeting on the fourth Friday since Thanksgiving is later in the month.

We need to publish this before the end of this calendar year. The meetings are still scheduled for 8:00 A.M. If this works for everyone, a simple motion to accept the schedule/calendar as presented will suffice.

**ATTACHMENTS:** DRAFT 2019 Meeting Schedule



## TRAVERSE CITY HOUSING COMMISSION

150 Pine Street, Traverse City, Michigan, 49684

T: (231) 922-4915 | F: (231) 922-2893

TDD: (800) 649-3777

TCHousing.org

# **DRAFT 2019 MEETING SCHEDULE**

THE **TRAVERSE CITY HOUSING COMMISSION** CONDUCTS ITS REGULAR MEETINGS AT 8:00 A.M. ON THE FOURTH FRIDAY OF EACH OF THE FOLLOWING MONTHS:

<b>JANUARY</b>	January 25, 2019
<b>FEBRUARY</b>	February 22, 2019
<b>MARCH</b>	March 22, 2019
<b>APRIL</b>	April 26, 2019
<b>MAY</b>	May 24, 2019
<b>JUNE*</b>	June 28, 2019*
<b>AUGUST</b>	August 23, 2019
<b>SEPTEMBER</b>	September 27, 2019
<b>OCTOBER</b>	October 25, 2019
<b>NOVEMBER</b>	November 22, 2019

ALL MEETINGS WILL BE HELD AT EITHER ONE OF TWO LOCATIONS:

1. RIVERVIEW TERRACE, COMMUNITY ROOM, 150 PINE STREET, TRAVERSE CITY
2. GOVERNMENTAL CENTER, SECOND FLOOR, 400 BOARDMAN AVENUE, TRAVERSE CITY

ROOM LOCATION IN GOVERNMENT CENTER TO BE DETERMINED BASED UPON AVAILABILITY.

**NOTES:** There is no meeting scheduled for **JULY**. We plan to have a “Study Session” during that month and a “Strategic Plan Review” or “Study Session” in **DECEMBER**.

\* June is the official **ANNUAL MEETING** and includes the Annual Election of Officers.

**PUBLISHED: DECEMBER 1, 2018**


# TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

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## MEMORANDUM

---

**DATE:** November 30, 2018  
**TO:** All Commissioners of the Traverse City Housing Commission  
**FROM:** Tony Lentych, Executive Director   
**SUBJECT:** TCHC Pest Control Policy

**MESSAGE:**

Attached you will find an updated Pest Control Policy. This policy is an attempt to update the previous policy with current best practices. The Governance Committee has reviewed this policy at its November meeting as recommends its adoption.

TCHC staff, therefore, recommends adoption of the following:

**RESOLUTION TO ADOPT THE TCHC PEST CONTROL POLICY**

November 30, 2018

WHEREAS, the Traverse City Housing Commission has made it a priority to review, update, and/or create policies and plans to govern all of its operations; and

WHEREAS, the Commission recognizes that the TCHC Pest Control Policy helps to govern the expectations for the residents of TCHC properties; and

WHEREAS, the Commission wishes to update the TCHC Pest Control Policy in order to align it with current best practices; and

WHEREAS, the Governance Committee has reviewed the purpose of, and the need to update, said Pest Control Policy and recommends its adoption; and

WHEREAS, the Commission concurs in the recommendations of the Executive Director and staff to adopt the TCHC Pest Control Policy.

NOW, THEREFORE, BE IT RESOLVED by the Traverse City Housing Commission as follows:

*The TCHC Pest Control Policy is hereby adopted as presented to the Traverse City Housing Commission with immediate effect.*

# Traverse City Housing Commission

## **DRAFT** Pest Control Policy

1. **Purpose.** The Traverse City Housing Commission (TCHC) recognizes the importance of pest and vermin control in providing a living environment of adequate health and safety for its residents. To achieve this control, the Commission had adopted a pest control policy that will be implemented by the Traverse City Housing Commission staff.
2. **Policy and Procedures.** The following are the policies and procedures for Pest Control in properties owned by TCHC.
  - A. TCHC will make all efforts to provide a healthy and pest-free environment for its residents. TCHC will actively examine its property on an annual basis to determine if any pests exist and will treat accordingly. This policy, however, is dependent upon residents diligently reporting any first-hand knowledge of pest infestations. Residents are encouraged to report to the office immediately should pests be of any concern.
  - B. Once a report is received, staff will investigate and make a determination which pests, if any, infest its properties and will then provide the best possible treatment for the eradication of those pests. The Executive Director will determine the cost-effective way of delivering the treatments via an extermination plan, whether by contractor or by Traverse City Housing Commission staff.
  - C. An extermination plan will begin with an analysis of the current condition on the suspected property. The Executive Director shall make sure that an adequate schedule for treatment is developed to address any existing infestation with special attention being paid to bed bugs (see Item 4). The schedule will include frequency and locations of treatment. Different schedules may be required for each property.
  - D. TCHC will maintain a Pest Control Schedule that will include the inspection of all properties on an annual basis. Licensed pest control/extermination vendors will be utilized in the development of this Schedule.
    - 1) Ground extermination for ants will be conducted by a licensed pest control professional on an annual basis and when necessary in the interim.
      - a) Building spraying (interior) will be performed at Riverview Terrace to include hallways, common areas, etc. A licensed pest control company will conduct spraying on a monthly basis or as needed.
      - b) Building spraying (interior) at Orchardview shall occur on a monthly basis in the garage area. Building spraying (interior) of the townhomes shall be performed on an as needed basis by a licensed pest control company.
    - 2) Dogs, cats, skunks, moles, and other large rodents are to be referred to the Animal Control Office whenever necessary.

3) Spiders, earwigs, bees, hornets, etc. may be treated by TCHC staff when initially reported.

3. **Resident Cooperation.** Resident cooperation with any inspection or extermination plan is essential. Maintaining a clean apartment is paramount in mitigating the risk of an infestation. Residents should never acquire furniture or any other items from dumpsters, trash facilities, or from the side of the road. It is recommended that residents should take extra precaution by thoroughly inspecting all items (furniture, clothes, etc.) purchased or accepted from used second-hand stores, agencies, and friends/family. Should extermination be required at any time, affected residents will be notified in advance of treatment. The notification will be in writing and will include instructions that describe how to prepare the unit for treatment. Failure to cooperate may result in consequences up to and including the levying of fees incurred from the third-party vendors.
4. **Bed Bug Addendum.** Since bed bugs are particularly difficult to treat, it is the intent of TCHC to adopt a separate Bed Bug Policy in the near future.

**Adopted:** February 18, 2003

**Revised:** May 1, 2008

**Revised:** March 8, 2013

**Proposed:** November 30, 2018



**Traverse City  
Housing Commission**  
*a Public Housing Authority*

## **CORRESPONDENCE**

November 16, 2018 Letter from TCHC to Smith & Klackiewicz, PC

November 26, 2018 Record Eagle Article on New Commissioners

November 26, 2018 Letter from Pine Street Development One, LLC

November 27, 2018 Letter from DDA on Riverwalk Project



## TRAVERSE CITY HOUSING COMMISSION

150 Pine Street, Traverse City, Michigan, 49684

T: (231) 922-4915 | F: (231) 922-2893

TDD: (800) 649-3777

TCHousing.org

November 16, 2018

Smith & Klackiewicz, PC  
PO Box 6688  
Saginaw, MI 48608-6688

This representation letter is provided in connection with your audit of the financial statements of the **Traverse City Housing Commission**, which comprise the respective financial position of the business-type activities as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of November 16, 2018, the following representations made to you during your audit.

### Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 26, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.



- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 10) Guarantees, whether written or oral, under which the Housing Commission is contingently liable, if any, have been properly recorded or disclosed.

#### **Information Provided**

- 11) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the Housing Commission from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the Board of Commissioners or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Housing Commission and involves—
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.

- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Housing Commission's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 18) We have disclosed to you the identity of the Housing Commission's related parties and all the related party relationships and transactions of which we are aware.

#### **Government-specific**

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) The Housing Commission has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

- 27) As part of your audit, you assisted with preparation of the financial statements and related notes and schedule of expenditures of federal awards. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.
- 28) The Housing Commission has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) The Housing Commission has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 31) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
- 32) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 33) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 34) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 35) Provisions for uncollectible receivables have been properly identified and recorded.
- 36) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 37) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 38) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 39) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 40) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 41) We have appropriately disclosed the Housing Commission's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which

both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

42) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

43) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

44) With respect to the financial data schedules:

- a) We acknowledge our responsibility for presenting the financial data schedules in accordance with accounting principles generally accepted in the United States of America, and we believe the financial data schedules, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the financial data schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- b) If the financial data schedules are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

45) With respect to federal award programs:

- a) We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
- b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and related notes in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.

- d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.
- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.

- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have charged costs to federal awards in accordance with applicable cost principles.
- u) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- w) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

Respectfully,



Tony Lentych,  
Executive Director

# **TC has New Planning, Housing Commissioners**

## **Bevier joins Planning Commission, Putman to serve on Housing Commission**

BY JORDAN TRAVIS

November 26, 2018

TRAVERSE CITY — Traverse City's housing and planning commissions each have a new member, one a city government newcomer and another a familiar face around Traverse Heights.

City commissioners recently appointed Tyler Bevier to a three-year planning commission term, and chose city Commissioner Roger Putman for a five-year stint on the housing commission. Each appointment filled an empty seat created by different circumstances — former Planning Commissioner Camille Weatherholt didn't seek reappointment, and former Housing Commissioner Brian Haas resigned after leaving his city commission spot.

Bevier said his education and job as Bay Area Transportation Authority's transportation planner gives him relevant experience. He also interned with the city Downtown Development Authority and with the Grand Traverse County Brownfield Redevelopment Authority.

"I'm excited to bring the lens of both transportation planning and an economic development lens to the table," he said.

Bevier is Traverse Heights Neighborhood Association's vice president and has applied for other city government spots as well — city commissioners picked Putman over Bevier and other candidates to fill Haas' vacant city commission seat. State law required Bevier to leave the parks and recreation commission after being appointed to the planning commission.

Some Traverse City residents increasingly worry about the pressures of commercial development on residential neighborhoods, Bevier said. He believes individualized zoning plans for the city corridors will help strike a needed balance between property rights, preserving the community and letting it grow.

Weatherholt said she left the planning commission because she accepted an irresistible job offer that'll have her traveling extensively. Her new schedule wouldn't permit her to stay on the planning commission.

Putman said his housing commission appointment will be his first as city commissioner. He acknowledged that he has a lot to learn — he'll meet with housing commission Executive Director Tony Lentych on Monday to get started.

Putman said finding solutions for the city's affordable housing problem is part of why he got involved in city government. He believes rents and home prices are high enough to drive young families out of town, and fewer families means falling Traverse City Area Public Schools enrollment.

Those who stay are paying an outsize share of their income toward housing, Putman said.

"It's kind of a double-edged sword because you can't tell people that they can't rent their homes and such for whatever price they can get," he said. "But serving on the commission will give me a chance to examine a lot deeper the causes and effects of what's going on and also to come up with some solutions to help these young families stay in our neighborhoods, and also help fuel the young students that go to school."





November 26, 2018

Mr. Tony Lentych, Executive Director  
Traverse City Housing Commission  
150 Pine Street  
Traverse City, MI 49684

Dear Mr. Lentych,

Based upon conversations Pine Street Development One, LLC ("PSDO") and its representatives have had with the City of Traverse City ("City") and the Traverse City Housing Commission ("TCHC"), I am writing to request a formalization of an agreement to grant an easement that would provide for access to the west and east halves of the parcel located at 305 W. Front Street through the property of the TCHC.

In a good faith effort to make this arrangement beneficial to TCHC, PSDO proposes the following framework:

- Pay for the installation of the shared-access drive from Pine Street to as far west as needed to service the west and east halves of the parcel. This drive must also provide for the ability to clear plowed snow to the bottom of the hill to the far west.
- Pay for the installation of sidewalks immediately adjacent to the shared-access drive.
- Install landscaping/natural screening along the access drive where sidewalks do not exist.
- Pay up to \$10,000 to TCHC should space in addition to the easement area be needed for prep and support during the construction of the west and east halves.

I appreciate your time and consideration of this request and look forward to working with you to find a mutually-beneficial utilization of the City fire lane. Please let me know how else I can be of assistance.

Best regards,

Erik Falconer, Managing Member  
Pine Street Development One, LLC

November 27, 2018

Mr. Tony Lentych, Executive Director  
Traverse City Housing Commission  
150 Pine Street  
Traverse City, MI 49684

Dear Mr. Lentych;

Per our conversation, the Downtown Development Authority (DDA) requests consideration by the Traverse City Housing Commission (TCHC) for an easement/access for public accessibility relating to the new Riverwalk adjacent to the TCHC property. Currently the Riverwalk ends at the TCHC property line, instead of a dead-end, having the ability to walk on the TCHC property up to the sidewalk on Pine Street would benefit the project.

There, of course, is no design as to how this would work, our first task is to talk to you about the feasibility of this request. I have attached a map that outlines (very preliminary and only a draft sketch) of the easement area I am referring to.

Also, as you are aware, the DDA has appointed a Lower Boardman River Leadership Team to complete and begin implementation of a definitive plan involving various forms of access and amenities for the lower Boardman River. A complete public outreach program will be part of this process for public accessibility of the River.

I look forward to talking with you further about this request and appreciate your consideration, as well as the Housing Commission.

Sincerely,

  
Downtown Jean Derenzy, CEO  
Development Traverse City Downtown Development Authority  
Authority

Downtown  
Traverse City  
Association Enc.

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