



Traverse City Housing Commission
A Public Housing Authority

COMMISSION MEETING MATERIAL

FOR THE REGULAR MEETING

Friday, February 23, 2018 at 8:00 A.M.

LOCATION:

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



Traverse City Housing Commission
A Public Housing Authority

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Traverse City Housing Commission
A Public Housing Authority

MEETING AGENDA

February 23, 2018



NOTICE

**THE TRAVERSE CITY HOUSING COMMISSION WILL CONDUCT A REGULAR MEETING
ON FRIDAY, FEBRUARY 23, 2018 AT 8:00 A.M.**

SECOND FLOOR COMMITTEE ROOM – GOVERNMENTAL CENTER
400 Boardman Avenue, Traverse City, Michigan, 49684
(231) 995-5150

POSTED: FEBRUARY 21, 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 February 9, 2018 Regular Meeting Minutes – Approval Recommended.*
- B. *Consideration of Approval of Schedule of Disbursements for January 2018 for Public Housing & HCV Section 8 Programs – Approval Recommended.*
- C. *Review & Approval of Payment of Invoices for February 2018 – Approval Recommended.*
- D. *Review & Acceptance of Financial Statements for January 2018 – Approval Recommended.*

V COMMITTEE & COMMISSIONER REPORTS

- A. Executive Committee Meeting: February 18, 2018
- B. Governance Committee Meeting: February 19, 2018
- C. Communication & Outreach Committee Meeting: February 6, 2018

VI STAFF & PROGRAM REPORTS

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

VII OLD BUSINESS

- A. 2018 Consolidated Budget: Review of January 2018
- B. TCHC Policy Review Schedule: Review
- C. Executive Director Review: Update on Goals
- D. RTRC Memorandum of Understanding: Update
- E. Memorandum on New Graphic Element/Logo: Action Requested
- F. TCHC Smoke Free Policy: Action Required

VIII NEW BUSINESS

- A. Acceptance of Fiscal Year 2017 Annual Audit: Action Required
- B. Resolution to Adopt TCHC Vehicle Policy: Action Required
- C. Memorandum on Incentive-Based Compensation Plan: Action Requested
- D. Memorandum on the Purchase of Property: Action Requested
- E. Memorandum on Executive Director Contract: Action Requested

IX CORRESPONDENCE

- A. Public Housing Assessment System (PHAS) Score Report
- B. February 18, 2018 Record Eagle Article: Seeking Solutions
- C. Invitation to Rick Michael Memorial Dedication on February 24, 2018

X PUBLIC COMMENT

XI COMMISSIONER COMMENT

XII ADJOURNMENT

NEXT SCHEDULED MEETING: Friday, March 23, 2018 at 8:00 A.M.



Traverse City Housing Commission
A Public Housing Authority

CONSENT AGENDA

February 9, 2018 Regular Meeting Minutes

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

Payment of Invoices for February 2018

Financial Statements for January 2017

DRAFT Meeting Minutes of the Traverse City Housing Commission

February 9, 2018

The Regular Meeting of the Traverse City Housing Commission was called to order by Vice-President Kay Serratelli in the Third Floor Community Room at Riverview Terrace Apartments, 150 Pine Street, Traverse City at 8:04 A.M.

I ROLL CALL

The following Commissioners were present: Kay Serratelli, Brian Haas, Heather Lockwood and Jim Friend. Commissioner Andy Smits was excused.

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

Residents: Samir Moubarak, Jo Simerson, Jeff Turner, Norma Loper and Ellen Corcoran.

II APPROVAL OF AGENDA

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

III PUBLIC COMMENT

General Comment: Norma Loper.

IV CONSENT AGENDA

Commissioner Haas moved (Friend support) to approve the Consent Agenda as tendered in the February 9, 2018 packet. The motion was unanimously approved.

The Consent Agenda was as follows:

- A. Meeting Minutes of the December 1, 2017 Regular Commission Meeting.
- B. Meeting Minutes of the December 19, 2017 Study Session.
- C. Schedule of Disbursements for November & December 2017 for Public Housing and Housing Choice Voucher Section 8 Programs.
- D. Payment of Invoices for January 2018.
- E. Financial Statements for November & December 2017.

V COMMITTEE REPORTS

- A. The meeting minutes from the February 5, 2018 Executive Committee meeting were presented. There was no discussion.
- B. The meeting minutes from the January 18, 2018 Governance Committee meeting were presented. The next meeting will be held on Monday, February 19, 2018 at 10:00 A.M. in the 3rd Floor Community Room.
- C. The meeting minutes from the January 10, 2018 Communications & Outreach Committee meeting were presented. There was no discussion.
- D. The meeting minutes from the January 11, 2018 Finance & Compliance Committee meeting were presented. There was no discussion.

VI STAFF AND PROGRAM REPORTS

- A. Staff presented the Executive Director's December & January Report and made brief comments. There was a discussion on selected items.
- B. Staff presented the December & January Family Self-Sufficiency Report. There was no discussion.
- C. The January 2018 Resident Council Report was presented. It was noted that all financial information is current.

VII OLD BUSINESS

- A. The 2018 Consolidated Budget was presented and reviewed.
- B. TCHC Policy Review Schedule was presented and reviewed.
- C. The TCHC Human Resources Policy & Procedure Manual attorney review is complete. The manual will be presented to staff soon.
- D. Staff presented a memo and attachments regarding progress on the Executive Director Goals. The Commission decided to continue with the educational series and will discuss a follow-up to the December study session.
- E. There is no update on the RTRC Memorandum of Understanding.

VIII NEW BUSINESS

- A. Staff presented a memo regarding the updated Admissions and Continued Occupancy Policy. There was a brief discussion. Commissioner Haas moved (Lockwood support) to adopt the Resolution on the Updated Admission & Continued Occupancy Policy.

Roll Call

| | |
|------------|--------|
| Serratelli | Yes |
| Haas | Yes |
| Lockwood | Yes |
| Friend | Yes |
| Smits | Absent |

The resolution was adopted unanimously.

- B. Staff presented the draft Smoke-Free Properties Policy. There was a brief discussion. The consensus of the Commission was to refer this item back to the Governance Committee for further discussion.
- C. Commissioner Haas moved (Lockwood support) that the Traverse City Housing Commission enter into a closed session immediately after the final public comment portion of today's agenda to discuss the purchase of a property per MCL 15.268 (d).

Role Call

| | |
|------------|--------|
| Lockwood | Yes |
| Haas | Yes |
| Friend | Yes |
| Serratelli | Yes |
| Smits | Absent |

The motion was approved unanimously.

IX CORRESPONDENCE

Six items of correspondence were presented and accepted.

X PUBLIC COMMENT

None.

XI CLOSED SESSION

The Commission went into closed session at 9:15 A.M.

Commissioner Friend was excused at 9:30 AM.

The Commission was called back to order at 9:58 A.M.

XII COMMISSIONER COMMENT

None.

XIII ADJOURNMENT

Commissioner Haas moved (Lockwood support) to adjourn the meeting at 9:59 AM.

Respectfully submitted,

Michelle Reardon, Recording Secretary

Kay Serratelli, Vice-President

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|------------------------------------|----------|-----------|-----------|
| 01/02/2018 | ADJST | Alisa Kroupa | 1,262.74 | | 31,553.41 |
| 01/02/2018 | ADJST | Anthony Lentych | 2,348.05 | | 29,205.36 |
| 01/02/2018 | ADJST | Michelle Reardon | 1,392.85 | | 27,812.51 |
| 01/02/2018 | ADJST | Angela N. Szabo | 777.05 | | 27,035.46 |
| 01/02/2018 | ADJST | Joseph Battaglia | 200.51 | | 26,834.95 |
| 01/02/2018 | ADJST | Charles Edwards | 1,173.78 | | 25,661.17 |
| 01/02/2018 | ADJST | David Gourlay | 1,004.81 | | 24,656.36 |
| 01/02/2018 | ADJST | Benjamin Weston | 942.02 | | 23,714.34 |
| 01/02/2018 | DEP | | | 5,154.00 | 28,868.34 |
| 01/02/2018 | EFT | Principal Life Insurance Co. | 725.76 | | 28,142.58 |
| 01/02/2018 | DEP | | | 3,417.00 | 31,559.58 |
| 01/03/2018 | EFT | T Mobile | | 2,266.00 | 33,825.58 |
| 01/03/2018 | DEP | | | 11,025.62 | 44,851.20 |
| 01/03/2018 | DEP | | | 322.05 | 45,173.25 |
| 01/03/2018 | DEP | | | 5,401.00 | 50,574.25 |
| 01/03/2018 | 037659 | Cardmember Service | 920.48 | | 49,653.77 |
| 01/03/2018 | 037660 | Charles Edwards | 322.38 | | 49,331.39 |
| 01/03/2018 | 037661 | Spectrum Business | 3,518.86 | | 45,812.53 |
| 01/03/2018 | 037662 | Housing Authority Accounting | 1,436.91 | | 44,375.62 |
| 01/03/2018 | 037663 | David Gourlay | 20.09 | | 44,355.53 |
| 01/03/2018 | 037664 | Northwest Lock, Inc. | 6.84 | | 44,348.69 |
| 01/03/2018 | 037665 | MailFinance | 149.85 | | 44,198.84 |
| 01/03/2018 | 037666 | DTE ENERGY | 195.90 | | 44,002.94 |
| 01/03/2018 | 037667 | USPS- Hasler | 1,500.00 | | 42,502.94 |
| 01/03/2018 | 037668 | City Of Traverse City | 37.86 | | 42,465.08 |
| 01/03/2018 | 037669 | Thomas P. Licavoli | 770.00 | | 41,695.08 |
| 01/03/2018 | 037670 | Safety Net | 649.00 | | 41,046.08 |
| 01/03/2018 | 037671 | City Bike Shop | 263.50 | | 40,782.58 |
| 01/03/2018 | 037672 | Great Lakes Business Systems, Inc. | 196.00 | | 40,586.58 |
| 01/03/2018 | 037673 | Grand Traverse County | 46.17 | | 40,540.41 |
| 01/03/2018 | 037674 | Integrated Payroll Services, Inc. | 104.90 | | 40,435.51 |
| 01/03/2018 | 037675 | Dolly's Best Inc. | 80.00 | | 40,355.51 |
| 01/03/2018 | 037676 | SimplexGrinnell LP | 1,351.00 | | 39,004.51 |
| 01/03/2018 | 037677 | Ace Hardware | 17.93 | | 38,986.58 |
| 01/03/2018 | 037678 | Kendall Electric Inc | 18.60 | | 38,967.98 |
| 01/03/2018 | 037679 | Trugreen | 370.00 | | 38,597.98 |
| 01/04/2018 | EFT | U.S. Dept. of HUD | | 17,860.00 | 56,457.98 |
| 01/04/2018 | DEP | | | 6,087.92 | 62,545.90 |
| 01/05/2018 | EFT | Internal Revenue Service | 3,039.69 | | 59,506.21 |
| 01/05/2018 | DEP | | | 3,879.79 | 63,386.00 |

Time: 12:02:33

Check Register Summary Report

Chemical Bank

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

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|------------------------------------|-----------|-----------|-----------|
| 01/05/2018 | 037680 | Dolly's Best Inc. | 1,800.00 | | 61,586.00 |
| 01/05/2018 | 037681 | BLOXSOM ROOFING AND SIDING | 185.00 | | 61,401.00 |
| 01/05/2018 | 037682 | Grand Traverse County DPW | 483.00 | | 60,918.00 |
| 01/05/2018 | 037683 | City Of Traverse City | 12.40 | | 60,905.60 |
| 01/05/2018 | 037684 | A T & T | 258.52 | | 60,647.08 |
| 01/05/2018 | 037685 | McCardel Water Conditioning | 8.00 | | 60,639.08 |
| 01/05/2018 | 037686 | Sondee, Racine & Doren, P.L.C. | 544.00 | | 60,095.08 |
| 01/05/2018 | 037687 | Northwest Service Solutions LLC | 170.00 | | 59,925.08 |
| 01/05/2018 | 037688 | Trugreen | 350.00 | | 59,575.08 |
| 01/08/2018 | 037689 | Great Lakes Business Systems, Inc. | 322.99 | | 59,252.09 |
| 01/08/2018 | 037690 | Holiday Fleet | 12.24 | | 59,239.85 |
| 01/08/2018 | 037691 | Environmental Pest Control | 270.00 | | 58,969.85 |
| 01/08/2018 | 037692 | City Of Traverse City | 103.50 | | 58,866.35 |
| 01/08/2018 | 037693 | DTE ENERGY | 28.50 | | 58,837.85 |
| 01/09/2018 | DEP | | | 8,683.65 | 67,521.50 |
| 01/16/2018 | ADJST | Alisa Kroupa | 1,262.74 | | 66,258.76 |
| 01/16/2018 | ADJST | Anthony Lentych | 2,348.05 | | 63,910.71 |
| 01/16/2018 | ADJST | Michelle Reardon | 1,392.84 | | 62,517.87 |
| 01/16/2018 | ADJST | Angela N. Szabo | 777.04 | | 61,740.83 |
| 01/16/2018 | ADJST | Joseph Battaglia | 277.16 | | 61,463.67 |
| 01/16/2018 | ADJST | Charles Edwards | 1,257.06 | | 60,206.61 |
| 01/16/2018 | ADJST | David Gourlay | 1,059.64 | | 59,146.97 |
| 01/16/2018 | ADJST | Benjamin Weston | 722.00 | | 58,424.97 |
| 01/16/2018 | EFT | Principal Life Insurance Co. | 725.76 | | 57,699.21 |
| 01/16/2018 | DEP | | | 12,393.85 | 70,093.06 |
| 01/18/2018 | DEP | | | 776.00 | 70,869.06 |
| 01/18/2018 | DEP | | | 393.05 | 71,262.11 |
| 01/19/2018 | EFT | Internal Revenue Service | 3,049.31 | | 68,212.80 |
| 01/22/2018 | EFT | State Of Michigan | 875.22 | | 67,337.58 |
| 01/25/2018 | 037694 | D & W Mechanical | 1,020.70 | | 66,316.88 |
| 01/25/2018 | 037695 | Save Carpet USA | 861.00 | | 65,455.88 |
| 01/25/2018 | 037696 | Priority Health | 6,292.39 | | 59,163.49 |
| 01/25/2018 | 037697 | DTE ENERGY | 3,543.40 | | 55,620.09 |
| 01/25/2018 | 037698 | Wolverine Power Systems | 190.00 | | 55,430.09 |
| 01/25/2018 | 037699 | Mcgough's | 219.95 | | 55,210.14 |
| 01/25/2018 | 037700 | R.W. Popp Excavating, Inc. | 900.00 | | 54,310.14 |
| 01/25/2018 | 037701 | BLOXSOM ROOFING AND SIDING | 185.00 | | 54,125.14 |
| 01/25/2018 | 037702 | City Of Traverse City | 14,811.67 | | 39,313.47 |
| 01/25/2018 | 037703 | Safety Net | 704.00 | | 38,609.47 |
| 01/25/2018 | 037704 | Engineered Protection Systems Inc | 202.71 | | 38,406.76 |

Time: 12:02:33

Check Register Summary Report

Chemical Bank

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

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|---------------|---------|------------------------------------|------------------|------------------|-----------|
| 01/25/2018 | 037705 | A T & T | 246.75 | | 38,160.01 |
| 01/25/2018 | 037706 | TC Millworks | 826.80 | | 37,333.21 |
| 01/25/2018 | 037707 | Elmer's | 1,078.00 | | 36,255.21 |
| 01/25/2018 | 037708 | Allen Supply | 691.00 | | 35,564.21 |
| 01/25/2018 | 037709 | Aflac | 283.32 | | 35,280.89 |
| 01/25/2018 | 037710 | Staples Business Advantage | 224.85 | | 35,056.04 |
| 01/25/2018 | 037711 | CynergyComm.net,Inc | 7.93 | | 35,048.11 |
| 01/25/2018 | 037712 | Housing Data Systems | 125.80 | | 34,922.31 |
| 01/25/2018 | 037713 | City of Traverse City, Treasurer's | 369.46 | | 34,552.85 |
| 01/25/2018 | 037714 | Republic Services #239 | 527.05 | | 34,025.80 |
| 01/25/2018 | 037715 | AmRent | 53.10 | | 33,972.70 |
| 01/25/2018 | 037716 | Environmental Pest Control | 270.00 | | 33,702.70 |
| 01/25/2018 | 037717 | Integrated Payroll Services, Inc. | 104.90 | | 33,597.80 |
| 01/25/2018 | 037718 | City Of Traverse City | 197.26 | | 33,400.54 |
| 01/25/2018 | 037719 | City of Traverse City, Treasurer's | 5,616.00 | | 27,784.54 |
| 01/25/2018 | 037720 | SimplexGrinnell LP | 3,891.00 | | 23,893.54 |
| 01/25/2018 | 037721 | SAM'S CLUB | 46.50 | | 23,847.04 |
| 01/25/2018 | 037722 | Home Depot Credit Services | 123.90 | | 23,723.14 |
| 01/26/2018 | DEP | | | 2,135.42 | 25,858.56 |
| 01/30/2018 | ADJST | Alisa Kroupa | 1,275.05 | | 24,583.51 |
| 01/30/2018 | ADJST | Anthony Lentych | 2,412.51 | | 22,171.00 |
| 01/30/2018 | ADJST | Michelle Reardon | 1,417.98 | | 20,753.02 |
| 01/30/2018 | ADJST | Angela N. Szabo | 802.76 | | 19,950.26 |
| 01/30/2018 | ADJST | Joseph Battaglia | 282.55 | | 19,667.71 |
| 01/30/2018 | ADJST | Charles Edwards | 1,042.76 | | 18,624.95 |
| 01/30/2018 | ADJST | David Gourlay | 1,020.64 | | 17,604.31 |
| 01/30/2018 | ADJST | Benjamin Weston | 546.44 | | 17,057.87 |
| 01/30/2018 | EFT | Principal Life Insurance Co. | 725.76 | | 16,332.11 |
| 01/30/2018 | EFT | Principal Life Insurance Co. | 550.00 | | 15,782.11 |
| 01/31/2018 | DEP | | | 2,824.00 | 18,606.11 |
| 01/31/2018 | DEP | | | 272.00 | 18,878.11 |
| 01/31/2018 | ADJST | Chemical Bank | | 17.85 | 18,895.96 |
| Total: | | | 96,829.39 | 82,909.20 | |

Time: 12:02:45

Check Register Summary Report

PNC - Section 8

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

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|----------------------------------|----------|-----------|------------|
| 01/02/2018 | EFT | U.S. Dept. of HUD | | 7,323.00 | 133,901.49 |
| 01/02/2018 | EFT | U.S. Dept. of HUD | | 84,731.00 | 218,632.49 |
| 01/02/2018 | ADJST | PNC Bank | 69.70 | | 218,562.79 |
| 01/02/2018 | 000208 | TC Commons I LDHA, LLC | 263.00 | | 218,299.79 |
| 01/02/2018 | 000208 | Jeana Aiken | 563.00 | | 217,736.79 |
| 01/02/2018 | 000208 | Dustin Ansorge | 1,164.00 | | 216,572.79 |
| 01/02/2018 | 000208 | Ayers Investment Properties LLC | 575.00 | | 215,997.79 |
| 01/02/2018 | 000208 | Brad Barnes | 487.00 | | 215,510.79 |
| 01/02/2018 | 000208 | Bay Front Apartments | 320.00 | | 215,190.79 |
| 01/02/2018 | 000208 | Bay Hill Housing LDHALP | 5,019.00 | | 210,171.79 |
| 01/02/2018 | 000208 | Bay Hill II | 6,023.00 | | 204,148.79 |
| 01/02/2018 | 000208 | Elizabeth Beckett | 288.00 | | 203,860.79 |
| 01/02/2018 | 000208 | Bellaire Senior Apartments | 248.00 | | 203,612.79 |
| 01/02/2018 | 000208 | Brookside Commons LDHA, LP | 2,018.00 | | 201,594.79 |
| 01/02/2018 | 000208 | Irma Jean Brownley | 465.00 | | 201,129.79 |
| 01/02/2018 | 000208 | Rebecca Carmien | 331.00 | | 200,798.79 |
| 01/02/2018 | 000208 | Carson Square | 6,097.00 | | 194,701.79 |
| 01/02/2018 | 000208 | Central Lake Townhouses | 421.00 | | 194,280.79 |
| 01/02/2018 | 000208 | Cherrywood Village Farms, Inc. | 2,302.00 | | 191,978.79 |
| 01/02/2018 | 000208 | Douglas A. Chichester | 622.00 | | 191,356.79 |
| 01/02/2018 | 000208 | Davis Investment Properties, LLC | 314.00 | | 191,042.79 |
| 01/02/2018 | 000208 | Jack V. Dean | 421.00 | | 190,621.79 |
| 01/02/2018 | 000208 | Zachary Duell | 1,200.00 | | 189,421.79 |
| 01/02/2018 | 000208 | Eden Brook LLC | 457.00 | | 188,964.79 |
| 01/02/2018 | 000208 | Shirley Farrell | 833.00 | | 188,131.79 |
| 01/02/2018 | 000208 | Five P Enterprises, LLC | 485.00 | | 187,646.79 |
| 01/02/2018 | 000208 | Rent Leelanau, LLC | 715.00 | | 186,931.79 |
| 01/02/2018 | 000208 | Lisa Forbes | 527.00 | | 186,404.79 |
| 01/02/2018 | 000208 | Mabel Foust | 450.00 | | 185,954.79 |
| 01/02/2018 | 000208 | Dale E. French | 91.00 | | 185,863.79 |
| 01/02/2018 | 000208 | French Quarter Apts. | 110.00 | | 185,753.79 |
| 01/02/2018 | 000208 | Michael Glowacki | 669.00 | | 185,084.79 |
| 01/02/2018 | 000208 | David Grzesiek | 394.00 | | 184,690.79 |
| 01/02/2018 | 000208 | Habitat for Humanity | 94.00 | | 184,596.79 |
| 01/02/2018 | 000208 | Harbour Ridge Apts | 1,689.00 | | 182,907.79 |
| 01/02/2018 | 000208 | Hillview Terrace | 1,410.00 | | 181,497.79 |
| 01/02/2018 | 000208 | Josh Hollister | 396.00 | | 181,101.79 |
| 01/02/2018 | 000208 | HomeStretch | 3,333.00 | | 177,768.79 |
| 01/02/2018 | 000208 | Caroline Hupp | 89.00 | | 177,679.79 |
| 01/02/2018 | 000208 | Nancy Irish | 554.00 | | 177,125.79 |

Time: 12:02:45

Check Register Summary Report

PNC - Section 8

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

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|-------------------------------------|----------|---------|------------|
| 01/02/2018 | 000208 | Joseph and Marion Fasel | 465.00 | | 176,660.79 |
| 01/02/2018 | 000208 | Donna Kalchik | 313.00 | | 176,347.79 |
| 01/02/2018 | 000208 | Jim Kidder | 555.00 | | 175,792.79 |
| 01/02/2018 | 000208 | Bruce W. Korson | 365.00 | | 175,427.79 |
| 01/02/2018 | 000208 | Lake Pointe Acquisitions LLC. | 315.00 | | 175,112.79 |
| 01/02/2018 | 000208 | Sidney Lammers | 372.00 | | 174,740.79 |
| 01/02/2018 | 000208 | John J. Lewis | 758.00 | | 173,982.79 |
| 01/02/2018 | 000208 | Don E. Lint | 504.00 | | 173,478.79 |
| 01/02/2018 | 000208 | Maret Sabourin | 525.00 | | 172,953.79 |
| 01/02/2018 | 000208 | Meadowrun-Mancelona Rd 207 LHDA | 465.00 | | 172,488.79 |
| 01/02/2018 | 000208 | Robert J. Mork | 371.00 | | 172,117.79 |
| 01/02/2018 | 000208 | Oak Park Apts | 1,639.00 | | 170,478.79 |
| 01/02/2018 | 000208 | Oak Terrace Apts | 550.00 | | 169,928.79 |
| 01/02/2018 | 000208 | Gerald Oliver Revocable Trust | 741.00 | | 169,187.79 |
| 01/02/2018 | 000208 | Daniel G. Pohlman | 1,519.00 | | 167,668.79 |
| 01/02/2018 | 000208 | Douglas L. Porter | 390.00 | | 167,278.79 |
| 01/02/2018 | 000208 | Punta Gorda Housing Authority | 1,000.38 | | 166,278.41 |
| 01/02/2018 | 000208 | Timothy Rice | 349.00 | | 165,929.41 |
| 01/02/2018 | 000208 | John Sarya | 600.00 | | 165,329.41 |
| 01/02/2018 | 000208 | Eldon Schaub | 401.00 | | 164,928.41 |
| 01/02/2018 | 000208 | Mike & Melissa Schichtel | 644.00 | | 164,284.41 |
| 01/02/2018 | 000208 | Melanie Schmid | 818.00 | | 163,466.41 |
| 01/02/2018 | 000208 | Gerald Sieggreen | 693.00 | | 162,773.41 |
| 01/02/2018 | 000208 | SILVER SHORES MHC | 960.00 | | 161,813.41 |
| 01/02/2018 | 000208 | Douglas & Julia Slack | 333.00 | | 161,480.41 |
| 01/02/2018 | 000208 | 22955 Investments LLC | 3,528.00 | | 157,952.41 |
| 01/02/2018 | 000208 | Carl Sumner | 535.00 | | 157,417.41 |
| 01/02/2018 | 000208 | Traverse City Property Management | 439.00 | | 156,978.41 |
| 01/02/2018 | 000208 | TCR Investments, LLC | 497.00 | | 156,481.41 |
| 01/02/2018 | 000208 | Wendy Teagan | 475.00 | | 156,006.41 |
| 01/02/2018 | 000208 | TEAMCO PROPERTIES | 651.00 | | 155,355.41 |
| 01/02/2018 | 000208 | TOS Holdings, LLC | 697.00 | | 154,658.41 |
| 01/02/2018 | 000208 | Tradewinds Terrace Apts | 252.00 | | 154,406.41 |
| 01/02/2018 | 000208 | Village Glen Apartments | 7,804.00 | | 146,602.41 |
| 01/02/2018 | 000208 | Village View Housing LHDA LP | 874.00 | | 145,728.41 |
| 01/02/2018 | 000208 | Village Woods | 704.00 | | 145,024.41 |
| 01/02/2018 | 000208 | Wagner Asset Group at Ninth Street, | 903.00 | | 144,121.41 |
| 01/02/2018 | 000208 | Paul Wheelock | 1,652.00 | | 142,469.41 |
| 01/02/2018 | 000208 | Woda Boardman Lake LDHA.LP | 2,293.00 | | 140,176.41 |
| 01/02/2018 | 000208 | Woodland Shores Properties, LLC | 344.00 | | 139,832.41 |

Time: 12:02:45

Check Register Summary Report

PNC - Section 8

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

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|---------------|---------|---------------------------------|-----------|-----------|------------|
| 01/02/2018 | 000208 | Woodmere Ridge Apartments LDHA | 5,276.00 | | 134,556.41 |
| 01/02/2018 | 000208 | Wyatt Road Apartment Company | 573.00 | | 133,983.41 |
| 01/02/2018 | 000208 | Theodore V. Zachman | 876.00 | | 133,107.41 |
| 01/02/2018 | 000208 | Ann Zenner | 549.00 | | 132,558.41 |
| 01/02/2018 | 000208 | Barb Zupin | 1,032.00 | | 131,526.41 |
| 01/02/2018 | 000209 | Brad Barnes | 120.00 | | 131,406.41 |
| 01/26/2018 | 023047 | Blarney Castle Oil Co. | 48.30 | | 131,358.11 |
| 01/26/2018 | 023048 | Cherryland Electric Cooperative | 32.70 | | 131,325.41 |
| 01/26/2018 | 023049 | City Of Traverse City | 171.40 | | 131,154.01 |
| 01/26/2018 | 023050 | Consumers Energy | 26.60 | | 131,127.41 |
| 01/26/2018 | 023051 | DTE ENERGY | 253.00 | | 130,874.41 |
| 01/26/2018 | 023052 | Chase Bank | 2,944.00 | | 127,930.41 |
| Total: | | | 90,702.08 | 92,054.00 | |

Time: 12:40:31

Check Register Summary Report

Chemical Bank

From: 02/01/2018 To: 02/15/2018

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|------------------------------------|----------|-----------|-----------|
| 02/02/2018 | EFT | Internal Revenue Service | 2,627.51 | | 16,268.45 |
| 02/02/2018 | EFT | T Mobile | | 2,266.00 | 18,534.45 |
| 02/03/2018 | EFT | U.S. Dept. of HUD | | 17,861.00 | 36,395.45 |
| 02/05/2018 | DEP | | | 32,338.87 | 68,734.32 |
| 02/05/2018 | DEP | | | 4,807.62 | 73,541.94 |
| 02/05/2018 | DEP | | | 122.05 | 73,663.99 |
| 02/07/2018 | 037723 | D & W Mechanical | 196.20 | | 73,467.79 |
| 02/07/2018 | 037724 | Housing Data Systems | 145.00 | | 73,322.79 |
| 02/07/2018 | 037725 | City Of Traverse City | 261.26 | | 73,061.53 |
| 02/07/2018 | 037726 | Cardmember Service | 787.22 | | 72,274.31 |
| 02/07/2018 | 037727 | Stricker's Outdoor Power Equipment | 25.95 | | 72,248.36 |
| 02/07/2018 | 037728 | McCardel Water Conditioning | 26.00 | | 72,222.36 |
| 02/07/2018 | 037729 | Kuhn Rogers PLC | 192.00 | | 72,030.36 |
| 02/07/2018 | 037730 | Grand Traverse Cty. Treasurer | 483.00 | | 71,547.36 |
| 02/07/2018 | 037731 | TC Millworks | 343.60 | | 71,203.76 |
| 02/07/2018 | 037732 | Grand Traverse Cty. Treasurer | 53.43 | | 71,150.33 |
| 02/07/2018 | 037733 | A T & T | 289.32 | | 70,861.01 |
| 02/07/2018 | 037734 | Housing Authority Accounting | 1,369.41 | | 69,491.60 |
| 02/07/2018 | 037735 | Spectrum Business | 3,470.18 | | 66,021.42 |
| 02/07/2018 | 037736 | Spectrum Business | 7.69 | | 66,013.73 |
| 02/07/2018 | 037737 | Verizon Wireless | 89.91 | | 65,923.82 |
| 02/07/2018 | 037738 | Wilmar | 391.48 | | 65,532.34 |
| 02/07/2018 | 037739 | Allen Supply | 1,027.50 | | 64,504.84 |
| 02/07/2018 | 037740 | Ace Hardware | 30.36 | | 64,474.48 |
| 02/07/2018 | 037741 | Trugreen | 370.00 | | 64,104.48 |
| 02/07/2018 | 037742 | Charles Edwards | 258.12 | | 63,846.36 |
| 02/07/2018 | 037743 | David Gourlay | 122.42 | | 63,723.94 |
| 02/07/2018 | 037744 | Guardian Medical Monitoring | 14.95 | | 63,708.99 |
| 02/07/2018 | 037745 | B & T APPLIANCE | 59.36 | | 63,649.63 |
| 02/08/2018 | DEP | | | 2,230.84 | 65,880.47 |
| 02/08/2018 | | | | 73.95 | 65,954.42 |
| 02/08/2018 | 037746 | City Of Traverse City | 206.50 | | 65,747.92 |
| 02/08/2018 | 037747 | DTE ENERGY | 28.50 | | 65,719.42 |
| 02/08/2018 | 037748 | City of Traverse City, Treasurer's | 369.46 | | 65,349.96 |
| 02/08/2018 | 037749 | Great Lakes Business Systems, Inc. | 158.82 | | 65,191.14 |
| 02/08/2018 | 037750 | Elmer's | 385.00 | | 64,806.14 |
| 02/13/2018 | ADJST | Alisa Kroupa | 1,275.05 | | 63,531.09 |
| 02/13/2018 | ADJST | Anthony Lentych | 2,412.52 | | 61,118.57 |
| 02/13/2018 | ADJST | Michelle Reardon | 1,382.61 | | 59,735.96 |
| 02/13/2018 | ADJST | Angela N. Szabo | 802.76 | | 58,933.20 |

Check Register Summary Report

Chemical Bank

From: 02/01/2018 To: 02/15/2018

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|------------------------------|-----------|-----------|-----------|
| 02/13/2018 | ADJST | Joseph Battaglia | 282.55 | | 58,650.65 |
| 02/13/2018 | ADJST | Charles Edwards | 1,070.17 | | 57,580.48 |
| 02/13/2018 | ADJST | David Gourlay | 1,020.62 | | 56,559.86 |
| 02/13/2018 | EFT | Principal Life Insurance Co. | 722.86 | | 55,837.00 |
| Total: | | | 22,759.29 | 59,700.33 | |

Check Register Summary Report

PNC - Section 8

From: 02/01/2018 To: 02/15/2018

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|----------------------------------|----------|-----------|------------|
| 02/01/2018 | ADJST | PNC Bank | 63.35 | | 127,867.06 |
| 02/01/2018 | EFT | U.S. Dept. of HUD | | 7,324.00 | 135,191.06 |
| 02/01/2018 | EFT | U.S. Dept. of HUD | | 84,731.00 | 219,922.06 |
| 02/01/2018 | 000210 | TC Commons I LDHA, LLC | 263.00 | | 219,659.06 |
| 02/01/2018 | 000210 | Jeana Aiken | 563.00 | | 219,096.06 |
| 02/01/2018 | 000210 | Dustin Ansorge | 1,164.00 | | 217,932.06 |
| 02/01/2018 | 000210 | Ayers Investment Properties LLC | 575.00 | | 217,357.06 |
| 02/01/2018 | 000210 | Brad Barnes | 507.00 | | 216,850.06 |
| 02/01/2018 | 000210 | Bay Front Apartments | 322.00 | | 216,528.06 |
| 02/01/2018 | 000210 | Bay Hill Housing LDHALP | 4,136.00 | | 212,392.06 |
| 02/01/2018 | 000210 | Bay Hill II | 5,953.00 | | 206,439.06 |
| 02/01/2018 | 000210 | Elizabeth Beckett | 288.00 | | 206,151.06 |
| 02/01/2018 | 000210 | Bellaire Senior Apartments | 248.00 | | 205,903.06 |
| 02/01/2018 | 000210 | Brookside Commons LDHA, LP | 2,062.00 | | 203,841.06 |
| 02/01/2018 | 000210 | Irma Jean Brownley | 465.00 | | 203,376.06 |
| 02/01/2018 | 000210 | Rebecca Carmien | 331.00 | | 203,045.06 |
| 02/01/2018 | 000210 | Carson Square | 6,097.00 | | 196,948.06 |
| 02/01/2018 | 000210 | Central Lake Townhouses | 421.00 | | 196,527.06 |
| 02/01/2018 | 000210 | Cherrywood Village Farms, Inc. | 2,302.00 | | 194,225.06 |
| 02/01/2018 | 000210 | Douglas A. Chichester | 622.00 | | 193,603.06 |
| 02/01/2018 | 000210 | Davis Investment Properties, LLC | 95.00 | | 193,508.06 |
| 02/01/2018 | 000210 | Jack V. Dean | 421.00 | | 193,087.06 |
| 02/01/2018 | 000210 | Zachary Duell | 1,200.00 | | 191,887.06 |
| 02/01/2018 | 000210 | Eden Brook LLC | 457.00 | | 191,430.06 |
| 02/01/2018 | 000210 | Shirley Farrell | 833.00 | | 190,597.06 |
| 02/01/2018 | 000210 | Five P Enterprises, LLC | 485.00 | | 190,112.06 |
| 02/01/2018 | 000210 | Rent Leelanau, LLC | 715.00 | | 189,397.06 |
| 02/01/2018 | 000210 | Lisa Forbes | 527.00 | | 188,870.06 |
| 02/01/2018 | 000210 | Mabel Foust | 450.00 | | 188,420.06 |
| 02/01/2018 | 000210 | Dale E. French | 91.00 | | 188,329.06 |
| 02/01/2018 | 000210 | French Quarter Apts. | 110.00 | | 188,219.06 |
| 02/01/2018 | 000210 | Michael Glowacki | 669.00 | | 187,550.06 |
| 02/01/2018 | 000210 | David Grzesiek | 394.00 | | 187,156.06 |
| 02/01/2018 | 000210 | Habitat for Humanity | 341.00 | | 186,815.06 |
| 02/01/2018 | 000210 | Harbour Ridge Apts | 1,689.00 | | 185,126.06 |
| 02/01/2018 | 000210 | Leonard Herman | 521.00 | | 184,605.06 |
| 02/01/2018 | 000210 | Hillview Terrace | 1,410.00 | | 183,195.06 |
| 02/01/2018 | 000210 | Josh Hollister | 396.00 | | 182,799.06 |
| 02/01/2018 | 000210 | HomeStretch | 2,433.00 | | 180,366.06 |
| 02/01/2018 | 000210 | Caroline Hupp | 89.00 | | 180,277.06 |

Check Register Summary Report

PNC - Section 8

From: 02/01/2018 To: 02/15/2018

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|-------------------------------------|----------|---------|------------|
| 02/01/2018 | 000210 | Nancy Irish | 554.00 | | 179,723.06 |
| 02/01/2018 | 000210 | Joseph and Marion Fasel | 465.00 | | 179,258.06 |
| 02/01/2018 | 000210 | Donna Kalchik | 313.00 | | 178,945.06 |
| 02/01/2018 | 000210 | Jim Kidder | 555.00 | | 178,390.06 |
| 02/01/2018 | 000210 | Bruce W. Korson | 365.00 | | 178,025.06 |
| 02/01/2018 | 000210 | Lake Pointe Acquisitions LLC. | 315.00 | | 177,710.06 |
| 02/01/2018 | 000210 | Sidney Lammers | 372.00 | | 177,338.06 |
| 02/01/2018 | 000210 | John J. Lewis | 758.00 | | 176,580.06 |
| 02/01/2018 | 000210 | Don E. Lint | 504.00 | | 176,076.06 |
| 02/01/2018 | 000210 | Maret Sabourin | 525.00 | | 175,551.06 |
| 02/01/2018 | 000210 | Meadowrun-Mancelona Rd 207 LHDA | 525.00 | | 175,026.06 |
| 02/01/2018 | 000210 | Robert J. Mork | 371.00 | | 174,655.06 |
| 02/01/2018 | 000210 | Oak Park Apts | 1,634.00 | | 173,021.06 |
| 02/01/2018 | 000210 | Oak Terrace Apts | 946.00 | | 172,075.06 |
| 02/01/2018 | 000210 | Gerald Oliver Revocable Trust | 741.00 | | 171,334.06 |
| 02/01/2018 | 000210 | Daniel G. Pohlman | 1,519.00 | | 169,815.06 |
| 02/01/2018 | 000210 | Douglas L. Porter | 390.00 | | 169,425.06 |
| 02/01/2018 | 000210 | Punta Gorda Housing Authority | 1,128.38 | | 168,296.68 |
| 02/01/2018 | 000210 | Timothy Rice | 349.00 | | 167,947.68 |
| 02/01/2018 | 000210 | John Sarya | 448.00 | | 167,499.68 |
| 02/01/2018 | 000210 | Eldon Schaub | 401.00 | | 167,098.68 |
| 02/01/2018 | 000210 | Mike & Melissa Schichtel | 644.00 | | 166,454.68 |
| 02/01/2018 | 000210 | Melanie Schmid | 818.00 | | 165,636.68 |
| 02/01/2018 | 000210 | Gerald Sieggreen | 693.00 | | 164,943.68 |
| 02/01/2018 | 000210 | SILVER SHORES MHC | 885.00 | | 164,058.68 |
| 02/01/2018 | 000210 | Douglas & Julia Slack | 333.00 | | 163,725.68 |
| 02/01/2018 | 000210 | 22955 Investments LLC | 3,296.00 | | 160,429.68 |
| 02/01/2018 | 000210 | Carl Sumner | 535.00 | | 159,894.68 |
| 02/01/2018 | 000210 | Traverse City Property Management | 439.00 | | 159,455.68 |
| 02/01/2018 | 000210 | TCR Investments, LLC | 497.00 | | 158,958.68 |
| 02/01/2018 | 000210 | Wendy Teagan | 475.00 | | 158,483.68 |
| 02/01/2018 | 000210 | TEAMCO PROPERTIES | 651.00 | | 157,832.68 |
| 02/01/2018 | 000210 | TOS Holdings, LLC | 697.00 | | 157,135.68 |
| 02/01/2018 | 000210 | Tradewinds Terrace Apts | 262.00 | | 156,873.68 |
| 02/01/2018 | 000210 | Village Glen Apartments | 7,218.00 | | 149,655.68 |
| 02/01/2018 | 000210 | Village View Housing LHDA LP | 1,249.00 | | 148,406.68 |
| 02/01/2018 | 000210 | Village Woods | 704.00 | | 147,702.68 |
| 02/01/2018 | 000210 | Wagner Asset Group at Ninth Street, | 903.00 | | 146,799.68 |
| 02/01/2018 | 000210 | Paul Wheelock | 413.00 | | 146,386.68 |
| 02/01/2018 | 000210 | Woda Boardman Lake LDHA.LP | 2,293.00 | | 144,093.68 |

Check Register Summary Report

PNC - Section 8

From: 02/01/2018 To: 02/15/2018

| Date | Ref Num | Payee | Payment | Deposit | Balance |
|------------|---------|---------------------------------|-----------|-----------|------------|
| 02/01/2018 | 000210 | Woodland Shores Properties, LLC | 344.00 | | 143,749.68 |
| 02/01/2018 | 000210 | Woodmere Ridge Apartments LDHA | 5,268.00 | | 138,481.68 |
| 02/01/2018 | 000210 | Wyatt Road Apartment Company | 573.00 | | 137,908.68 |
| 02/01/2018 | 000210 | Theodore V. Zachman | 876.00 | | 137,032.68 |
| 02/01/2018 | 000210 | Ann Zenner | 549.00 | | 136,483.68 |
| 02/01/2018 | 000210 | Barb Zupin | 1,032.00 | | 135,451.68 |
| 02/05/2018 | DEP | | | 100.00 | 135,551.68 |
| Total: | | | 84,533.73 | 92,155.00 | |

Traverse City Housing Commission
Low Rent Public Housing
Income & Expense Statement
For the 1 Month and 7 Months Ended January 31, 2018

| | 1 Month Ended | | 7 Months Ended | | | |
|-------------------------------------|------------------|-----------|------------------|------------|------------|---------------|
| | January 31, 2018 | | January 31, 2018 | | BUDGET | *OVER/UNDER |
| Operating Income | | | | | | |
| Rental Income | | | | | | |
| 3110 - Dwelling Rental | \$ | 31,524.00 | \$ | 217,538.00 | \$ 435,000 | \$ 217,462.00 |
| 3110.2 - Dwelling Rental-Proj. 2 | | 4,928.00 | | 35,296.00 | 0 | (35,296.00) |
| 3120 - Excess Utilities | | 19.00 | | 719.89 | 0 | (719.89) |
| 3190 - Nondwelling Rental | | 7,677.62 | | 51,880.49 | 71,900 | 20,019.51 |
| Total Rental Income | \$ | 44,148.62 | \$ | 305,434.38 | \$ 506,900 | \$ 201,465.62 |
| Revenues - HUD PHA GRANTS | | | | | | |
| 3401.2 - Operating Subsidy | \$ | 17,860.00 | \$ | 136,618.00 | \$ 250,000 | \$ 113,382.00 |
| Total HUD PHA GRANTS | \$ | 17,860.00 | \$ | 136,618.00 | \$ 250,000 | \$ 113,382.00 |
| Nonrental Income | | | | | | |
| 3610 - Interest Income-Gen. Fund | \$ | 146.57 | \$ | 1,183.67 | \$ 2,500 | \$ 1,316.33 |
| 3690 - Tenant Income | | 250.00 | | 1,512.01 | 6,000 | 4,487.99 |
| 3690.1 - Non-Tenant Income | | 15,728.89 | | 22,346.81 | 15,400 | (6,946.81) |
| 3690.2 - Tenant Income-Cable | | 2,389.00 | | 16,763.00 | 29,200 | 12,437.00 |
| Total Nonrental Income | \$ | 18,514.46 | \$ | 41,805.49 | \$ 53,100 | \$ 11,294.51 |
| Total Operating Income | \$ | 80,523.08 | \$ | 483,857.87 | \$ 810,000 | \$ 326,142.13 |
| Operating Expenses | | | | | | |
| Routine Expense | | | | | | |
| Administration | | | | | | |
| 4110 - Administrative Salaries | \$ | 14,495.76 | \$ | 77,310.81 | \$ 136,780 | \$ 59,469.19 |
| 4120 - Compensated Absences | | 0.00 | | 0.00 | (1,000) | (1,000.00) |
| 4130 - Legal Expense | | 190.80 | | 3,772.45 | 17,000 | 13,227.55 |
| 4140 - Staff Training | | 0.00 | | 2,162.06 | 6,300 | 4,137.94 |
| 4150 - Travel Expense | | 288.37 | | 3,313.56 | 4,200 | 886.44 |
| 4170 - Accounting Fees | | 720.16 | | 4,478.78 | 7,000 | 2,521.22 |
| 4171 - Auditing | | 0.00 | | 3,000.00 | 4,000 | 1,000.00 |
| 4182 - Employee Benefits - Admin | | 2,770.68 | | 28,118.79 | 50,430 | 22,311.21 |
| 4185 - Telephone | | 391.56 | | 4,523.95 | 7,500 | 2,976.05 |
| 4190 - Administrative Sundry | | 0.00 | | 322.50 | 0 | (322.50) |
| 4190.1 - Publications | | 0.00 | | 313.60 | 800 | 486.40 |
| 4190.2 - Membership Dues and Fees | | 0.00 | | 545.40 | 1,000 | 454.60 |
| 4190.3 - Admin. Service Contracts | | 2,058.11 | | 8,886.61 | 23,800 | 14,913.39 |
| 4190.4 - Office Supplies | | 157.40 | | 1,018.15 | 4,200 | 3,181.85 |
| 4190.5 - Other Sundry Expense | | 7,167.33 | | 13,051.29 | 13,640 | 588.71 |
| 4190.6 - Advertising | | 0.00 | | 145.67 | 1,500 | 1,354.33 |
| Total Administration | \$ | 28,240.17 | \$ | 150,963.62 | \$ 277,150 | \$ 126,186.38 |
| Tenant Services | | | | | | |
| 4220 - Rec., Pub., & Other Services | \$ | 0.00 | \$ | 3,175.58 | \$ 8,575 | \$ 5,399.42 |
| 4230 - Cable TV-Tenants | | 3,337.37 | | 22,320.23 | 37,460 | 15,139.77 |
| Total Tenant Services | \$ | 3,337.37 | \$ | 25,495.81 | \$ 46,035 | \$ 20,539.19 |

Traverse City Housing Commission
Low Rent Public Housing
Income & Expense Statement
For the 1 Month and 7 Months Ended January 31, 2018

| | 1 Month Ended | 7 Months Ended | | |
|--|-------------------------|-------------------------|--------------------|------------------------|
| | <u>January 31, 2018</u> | <u>January 31, 2018</u> | <u>BUDGET</u> | <u>*OVER/UNDER</u> |
| Utilities | | | | |
| 4310 - Water | \$ 1,092.87 | \$ 9,759.88 | \$ 16,500 | \$ 6,740.12 |
| 4320 - Electricity | 14,436.92 | 67,552.91 | 150,000 | 82,447.09 |
| 4330 - Gas | 3,543.40 | 7,079.64 | 15,500 | 8,420.36 |
| Total Utilities | <u>\$ 19,073.19</u> | <u>\$ 84,392.43</u> | <u>\$ 182,000</u> | <u>\$ 97,607.57</u> |
| Ordinary Maint. & Operations | | | | |
| 4410 - Labor, Maintenance | \$ 13,273.02 | \$ 64,989.78 | \$ 97,540 | \$ 32,550.22 |
| 4420 - Materials | 1,089.95 | 17,539.32 | 25,000 | 7,460.68 |
| 4430.02 - Heating & Cooling Contracts | 1,020.70 | 4,626.68 | 6,000 | 1,373.32 |
| 4430.03 - Snow Removal Contracts | 1,978.00 | 1,978.00 | 4,000 | 2,022.00 |
| 4430.04 - Elevator Maintenance Contracts | 0.00 | 7,971.50 | 9,600 | 1,628.50 |
| 4430.05 - Landscape & Grounds Contracts | 0.00 | 12,942.25 | 10,000 | (2,942.25) |
| 4430.06 - Unit Turnaround Contracts | 1,668.00 | 16,762.50 | 18,000 | 1,237.50 |
| 4430.07 - Electrical Contracts | 0.00 | (48.17) | 1,000 | 1,048.17 |
| 4430.08 - Plumbing Contracts | 170.00 | 315.00 | 1,000 | 685.00 |
| 4430.09 - Extermination Contracts | 540.00 | 2,290.00 | 3,000 | 710.00 |
| 4430.10 - Janitorial Contracts | 0.00 | 0.00 | 2,200 | 2,200.00 |
| 4430.11 - Routine Maintenance Contracts | 7,244.71 | 16,052.83 | 10,000 | (6,052.83) |
| 4430.12 - Misc. Contracts | 823.50 | 17,748.36 | 10,000 | (7,748.36) |
| 4431 - Garbage Removal | 527.05 | 3,735.50 | 10,500 | 6,764.50 |
| 4433 - Employee Benefits - Maint. | 2,733.28 | 24,277.11 | 35,620 | 11,342.89 |
| Total Ordinary Maint. & Oper | <u>\$ 31,068.21</u> | <u>\$ 191,180.66</u> | <u>\$ 243,460</u> | <u>\$ 52,279.34</u> |
| General Expense | | | | |
| 4510 - Insurance | \$ 2,412.51 | \$ 16,934.53 | \$ 30,600 | \$ 13,665.47 |
| 4520 - Payment in Lieu of Taxes | 1,780.00 | 12,596.67 | 23,000 | 10,403.33 |
| 4570 - Collection Losses | 0.00 | 0.97 | 5,000 | 4,999.03 |
| 4586 - Interest Expense-CFFP | 0.00 | 0.00 | 32,000 | 32,000.00 |
| Total General Expense | <u>\$ 4,192.51</u> | <u>\$ 29,532.17</u> | <u>\$ 90,600</u> | <u>\$ 61,067.83</u> |
| Total Routine Expense | <u>\$ 85,911.45</u> | <u>\$ 481,564.69</u> | <u>\$ 839,245</u> | <u>\$ 357,680.31</u> |
| Non-Routine Expense | | | | |
| Extraordinary Maintenance | | | | |
| 4610.3 - Contract Costs | \$ 0.00 | \$ 797.00 | \$ 10,000 | \$ 9,203.00 |
| Total Extraordinary Maintenance | <u>\$ 0.00</u> | <u>\$ 797.00</u> | <u>\$ 10,000</u> | <u>\$ 9,203.00</u> |
| Casualty Losses-Not Cap. | | | | |
| Total Casualty Losses | <u>\$ 0.00</u> | <u>\$ 0.00</u> | <u>\$ 0</u> | <u>\$ 0.00</u> |
| Total Non-Routine Expense | <u>\$ 0.00</u> | <u>\$ 797.00</u> | <u>\$ 10,000</u> | <u>\$ 9,203.00</u> |
| Total Operating Expenses | <u>\$ 85,911.45</u> | <u>\$ 482,361.69</u> | <u>\$ 849,245</u> | <u>\$ 366,883.31</u> |
| Operating Income (Loss) | <u>\$ (5,388.37)</u> | <u>\$ 1,496.18</u> | <u>\$ (39,245)</u> | <u>\$ (40,741.18)</u> |
| Depreciation Expense | | | | |
| 4800 - Depreciation - Current Year | \$ 21,695.94 | \$ 150,084.98 | \$ 0 | \$ (150,084.98) |
| Total Depreciation Expense | <u>\$ 21,695.94</u> | <u>\$ 150,084.98</u> | <u>\$ 0</u> | <u>\$ (150,084.98)</u> |

Traverse City Housing Commission
Low Rent Public Housing
Income & Expense Statement
For the 1 Month and 7 Months Ended January 31, 2018

| | 1 Month Ended | | 7 Months Ended | | | |
|--|-------------------------|--------------------|-------------------------|---------------------|---------------|--------------------|
| | <u>January 31, 2018</u> | | <u>January 31, 2018</u> | | <u>BUDGET</u> | <u>*OVER/UNDER</u> |
| Surplus Credits & Charges | | | | | | |
| Total Surplus Credits & Charges | \$ | 0.00 | \$ | 0.00 | \$ 0 | \$ 0.00 |
| Capital Expenditures | | | | | | |
| 7520 - Replacement of Equipment | \$ | 0.00 | \$ | 4,695.00 | \$ 0 | \$ (4,695.00) |
| 7540 - Betterments and Additions | | 734.00 | | 52,656.00 | 25,000 | (27,656.00) |
| 7590 - Operating Expenditures-Contra | | (734.00) | | (57,351.00) | 0 | 57,351.00 |
| Total Capital Expenditures | \$ | 0.00 | \$ | 0.00 | \$ 25,000 | \$ 25,000.00 |
| Other Financial Items | | | | | | |
| 8010 - Operating Transfers In | \$ | 0.00 | \$ | 0.00 | \$ 109,300 | \$ 109,300.00 |
| Total Other Financial Items | \$ | 0.00 | \$ | 0.00 | \$ 109,300 | \$ 109,300.00 |
| HUD Net Income (Loss) | <u>\$</u> | <u>(6,122.37)</u> | <u>\$</u> | <u>(55,854.82)</u> | <u>\$</u> | <u>(173,545)</u> |
| GAAP Net Income (Loss) | <u>\$</u> | <u>(27,084.31)</u> | <u>\$</u> | <u>(148,588.80)</u> | <u>\$</u> | <u>45,055</u> |
| | | | | | <u>\$</u> | <u>193,643.80</u> |

**Traverse City Housing Commission
Housing Choice Voucher Program
Income & Expense Statement
For the 1 Month and 7 Months Ended January 31, 2018**

| | 1 Month Ended | 7 Months Ended | | |
|---------------------------------------|-------------------------|-------------------------|------------------|------------------------|
| | <u>January 31, 2018</u> | <u>January 31, 2018</u> | <u>BUDGET</u> | <u>*OVER/UNDER</u> |
| Operating Reserve Income | | | | |
| 3390 - Fraud Recovery Income | \$ 50.00 | \$ 575.00 | \$ 0 | \$ (575.00) |
| 3603 - Number of Unit Months | (164.00) | (1,128.00) | 0 | 1,128.00 |
| 3604 - Unit Months - Contra | 164.00 | 1,128.00 | 0 | (1,128.00) |
| Total Operating Reserve Income | <u>\$ 50.00</u> | <u>\$ 575.00</u> | <u>\$ 0</u> | <u>\$ (575.00)</u> |
| Revenues - HUD PHA GRANTS | | | | |
| 3410 - HAP Funding | \$ 84,731.00 | \$ 547,934.00 | \$ 0 | \$ (547,934.00) |
| 3411 - Admin Fee Funding | 7,323.00 | 50,520.00 | 0 | (50,520.00) |
| Total HUD PHA GRANTS | <u>\$ 92,054.00</u> | <u>\$ 598,454.00</u> | <u>\$ 0</u> | <u>\$ (598,454.00)</u> |
| Income Offset HUD A.C. | | | | |
| Total Income Offset | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Operating Income | <u>\$ 92,104.00</u> | <u>\$ 599,029.00</u> | <u>\$ 0</u> | <u>\$ (599,029.00)</u> |
| Operating Expenses | | | | |
| Routine Expense | | | | |
| Administration | | | | |
| 4110 - Administrative Salaries | \$ 4,631.28 | \$ 24,689.65 | \$ 40,790 | \$ 16,100.35 |
| 4120 - Compensated Absences | 0.00 | 0.00 | (250) | (250.00) |
| 4130 - Legal Expense | 163.20 | 748.05 | 500 | (248.05) |
| 4140 - Staff Training | 0.00 | 1,459.45 | 2,700 | 1,240.55 |
| 4150 - Travel Expense | 70.93 | 1,292.89 | 1,800 | 507.11 |
| 4170 - Accounting Fees | 716.75 | 5,396.50 | 8,000 | 2,603.50 |
| 4171 - Auditing | 0.00 | 3,000.00 | 3,000 | 0.00 |
| 4182 - Employee Benefits - Admin | 907.17 | 9,456.80 | 17,195 | 7,738.20 |
| 4185 - Telephone | 167.81 | 1,247.00 | 3,200 | 1,953.00 |
| 4190 - Administrative Sundry | 0.00 | 322.50 | 0 | (322.50) |
| 4190.1 - Publications | 0.00 | 134.40 | 500 | 365.60 |
| 4190.2 - Membership Dues and Fees | 0.00 | 315.47 | 1,000 | 684.53 |
| 4190.3 - Admin. Service Contracts | 804.28 | 3,606.42 | 10,200 | 6,593.58 |
| 4190.4 - Office Supplies | 67.45 | 393.06 | 2,200 | 1,806.94 |
| 4190.5 - Other Sundry Expense | 730.33 | 6,151.77 | 5,460 | (691.77) |
| Total Administration | <u>\$ 8,259.20</u> | <u>\$ 58,213.96</u> | <u>\$ 96,295</u> | <u>\$ 38,081.04</u> |
| General Expense | | | | |
| 4590 - Other General Expense | \$ 34.38 | \$ 206.28 | \$ 0 | \$ (206.28) |
| Total General Expense | <u>\$ 34.38</u> | <u>\$ 206.28</u> | <u>\$ 0</u> | <u>\$ (206.28)</u> |
| Total Routine Expense | <u>\$ 8,293.58</u> | <u>\$ 58,420.24</u> | <u>\$ 96,295</u> | <u>\$ 37,874.76</u> |

**Traverse City Housing Commission
Housing Choice Voucher Program
Income & Expense Statement
For the 1 Month and 7 Months Ended January 31, 2018**

| | <u>1 Month Ended January 31, 2018</u> | <u>7 Months Ended January 31, 2018</u> | <u>BUDGET</u> | <u>*OVER/UNDER</u> |
|--|---|---|--------------------|------------------------|
| Housing Assistance Payments | | | | |
| 4715.1 - HAP - Occupied Units | \$ 81,739.00 | \$ 540,694.92 | \$ 0 | \$ (540,694.92) |
| 4715.3 - HAP - Non-Elderly Disabled | 2,982.00 | 22,133.00 | 0 | (22,133.00) |
| 4715.4 - HAP - Utility Allowances | 532.00 | 4,995.50 | 0 | (4,995.50) |
| 4715.5 - HAP - Fraud Recovery | 0.00 | (225.00) | 0 | 225.00 |
| 4715.6 - HAP - Homeownership | 1,041.00 | 7,461.00 | 0 | (7,461.00) |
| 4715.8 - HAP - Portable Paying Out | 966.00 | 5,796.00 | 0 | (5,796.00) |
| 4715.9 - HAP - Portable Receiving | 344.00 | 2,364.00 | 0 | (2,364.00) |
| 4719 - HAP - FSS Escrow | 2,944.00 | 14,485.00 | 0 | (14,485.00) |
| Total HAP Payments | \$ 90,548.00 | \$ 597,704.42 | \$ 0 | \$ (597,704.42) |
| Depreciation Expense | | | | |
| Total Depreciation Expense | \$ 0.00 | \$ 0.00 | \$ 0 | \$ 0.00 |
| Total Operating Expense | \$ 98,841.58 | \$ 656,124.66 | \$ 96,295 | \$ (559,829.66) |
| Surplus Credits & Charges | | | | |
| Total Surplus Credits & Charges | \$ 0.00 | \$ 0.00 | \$ 0 | \$ 0.00 |
| Capital Expenditures | | | | |
| Total Capital Expenditures | \$ 0.00 | \$ 0.00 | \$ 0 | \$ 0.00 |
| GAAP Net Income (Loss) | \$ (6,737.58) | \$ (57,095.66) | \$ (96,295) | \$ (39,199.34) |
| Memo: | | | | |
| Admin Operating Income/(Loss) | \$ (970.58) | \$ (7,900.24) | \$ (96,295) | \$ (88,394.76) |
| <u>Analysis of Funding</u> | | <u>7 Months Ended January 31, 2018</u> | | |
| A.C. Received: January 31, 2018 | | | | |
| 3410 - HAP Funding | | \$ 547,934.00 | | |
| A.C. Earned | | | | |
| 4715.1 - HAP - Occupied Units | | 540,694.92 | | |
| 4715.3 - HAP - Non-Elderly Disabled | | 22,133.00 | | |
| 4715.4 - HAP - Utility Allowances | | 4,995.50 | | |
| 4715.5 - HAP - Fraud Recovery | | (225.00) | | |
| 4715.6 - HAP - Homeownership | | 7,461.00 | | |
| 4715.8 - HAP - Portable Paying Out | | 5,796.00 | | |
| 4715.9 - HAP - Portable Receiving | | 2,364.00 | | |
| 4719 - HAP - FSS Escrow | | 14,485.00 | | |
| Total Funding Required | | \$ 597,704.42 | | |
| Over/(Under) Funding | | \$ (49,770.42) | | |
| NRA as of: January 31, 2018 | | \$ (22,526.68) | | |
| UNA as of: January 31, 2018 | | \$ 127,243.93 | | |

Traverse City Housing Commission
Voucher FSS Program
Income & Expense Statement
For the 1 Month and 7 Months Ended January 31, 2018

| | 1 Month Ended | | 7 Months Ended | | | |
|---------------------------------------|-------------------------|----------|-------------------------|-----------|---------------|--------------------|
| | <u>January 31, 2018</u> | | <u>January 31, 2018</u> | | <u>BUDGET</u> | <u>*OVER/UNDER</u> |
| Operating Reserve Income | | | | | | |
| Total Operating Reserve Income | \$ | 0.00 | \$ | 0.00 | \$ 0 | \$ 0.00 |
| Revenues - HUD PHA GRANTS | | | | | | |
| 3412 - FSS Grant Revenue | \$ | 0.00 | \$ | 33,490.00 | \$ 0 | \$ (33,490.00) |
| Total HUD PHA GRANTS | \$ | 0.00 | \$ | 33,490.00 | \$ 0 | \$ (33,490.00) |
| Income Offset HUD A.C. | | | | | | |
| Total Income Offset | | 0.00 | | 0.00 | 0.00 | 0.00 |
| Total Operating Income | \$ | 0.00 | \$ | 33,490.00 | \$ 0 | \$ (33,490.00) |
| Operating Expenses | | | | | | |
| Routine Expense | | | | | | |
| Administration | | | | | | |
| 4110 - Administrative Salaries | \$ | 5,157.72 | \$ | 27,186.09 | \$ 55,800 | \$ 28,613.91 |
| 4182 - Employee Benefits - Admin | | 1,280.45 | | 11,672.07 | 19,070 | 7,397.93 |
| 4190.1 - Publications | | 0.00 | | 433.00 | 0 | (433.00) |
| Total Administration | \$ | 6,438.17 | \$ | 39,291.16 | \$ 74,870 | \$ 35,578.84 |
| General Expense | | | | | | |
| Total General Expense | \$ | 0.00 | \$ | 0.00 | \$ 0 | \$ 0.00 |
| Total Routine Expense | \$ | 6,438.17 | \$ | 39,291.16 | \$ 74,870 | \$ 35,578.84 |

**Traverse City Housing Commission
Voucher FSS Program
Income & Expense Statement
For the 1 Month and 7 Months Ended January 31, 2018**

| | <u>1 Month Ended January 31, 2018</u> | <u>7 Months Ended January 31, 2018</u> | <u>BUDGET</u> | <u>*OVER/UNDER</u> |
|--------------------------------------|---|--|--------------------|-----------------------|
| Housing Assistance Payments | | | | |
| Total HAP Payments | \$ 0.00 | \$ 0.00 | \$ 0 | \$ 0.00 |
| Depreciation Expense | | | | |
| Total Depreciation Expense | \$ 0.00 | \$ 0.00 | \$ 0 | \$ 0.00 |
| Total Operating Expense | \$ 6,438.17 | \$ 39,291.16 | \$ 74,870 | \$ 35,578.84 |
| Surplus Credits & Charges | | | | |
| Total Surplus Credits & Charges | \$ 0.00 | \$ 0.00 | \$ 0 | \$ 0.00 |
| Capital Expenditures | | | | |
| Total Capital Expenditures | \$ 0.00 | \$ 0.00 | \$ 0 | \$ 0.00 |
| GAAP Net Income (Loss) | <u>\$ (6,438.17)</u> | <u>\$ (5,801.16)</u> | <u>\$ (74,870)</u> | <u>\$ (69,068.84)</u> |



Traverse City Housing Commission
A Public Housing Authority

COMMITTEE REPORTS

Executive Committee Meeting: February 18, 2018

Governance Committee Meeting: February 19, 2018

Communication & Outreach Committee Meeting: February 6, 2018

**DRAFT Meeting Minutes of the Traverse City Housing Commission
Executive & Governance Committee
February 19, 2018**

The Regular Meeting of the Traverse City Housing Commission Executive & Governance Committee was called to order by Chair Serratelli in the Community Room, 150 Pine Street, Traverse City at 10:01 A.M.

I ROLL CALL

The following Commissioners were present: Kay Serratelli, Heather Lockwood.

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

Residents: Ellen Corcoran, Norma Loper, Paula Hunter, Jeff Turner, Karla Jamieson, Jo Simerson, and Samir Moubarak.

II APPROVAL OF AGENDA

Committee Member Loper moved (Corcoran support) to approve the agenda.

III PUBLIC COMMENT

General comment: Paula Hunter.

IV UPDATES

The Policy Review Schedule was presented and discussed. The Anti-Bullying & Hostile Environment Harassment policy will be discussed at the April 2018 meeting of this committee.

IV OLD BUSINESS

- A. There is no update regarding the "Shared Drive" request from the City.
- B. There is no update regarding the "Riverwalk" request from the City.
- C. TCHC Human Resources Policy & Procedures Manual has been completed and distributed to all TCHC employees. It is the intent of the committee to review this document on a three (3) year cycle in conjunction with the Executive Director's Contract term. The next review is scheduled for August of 2020.
- D. The Safety & Evacuation Plan revision is ongoing.
- E. The Harassment/Hostile Environment Policy was approved by the TCHC Board at the August 2017 meeting. The Governance Committee will complete a six-month review of this policy at the April 2018 meeting.
- F. The Committee discussed the Smoke Free Properties Policy and gathered consensus on the following:
 - There should be a grace period "Initial Compliance Period".
 - The Initial Compliance Period will end on March 31, 2019.
 - Any violations from the initial compliance period can be deleted from a tenant's record by attending a TCHC sponsored class to be held in the last week of March 2019. If a tenant decides not to attend this training any violations from the grace period will carry over. 1, 2, or 3 violations shall equal one strike and 4, 5, or 6 violations shall equal two strikes going into the final compliance period.
- G. Staff presented a memo regarding the TCHC Salary Ranges Philosophy. There was committee consensus that the example philosophy is suitable. Commissioner Serratelli will provide a three part rationale statement.

- H. The Incentive Based Compensation Plan for 2017 will be presented to the TCHC Board at the February 23, 2018 meeting.

V NEW BUSINESS

- A. The committee discussed the Code of Conduct policy. ED Lentych will prepare a draft policy for the March 15, 2018 committee meeting.
- B. Staff presented a draft TCHC Vehicle Policy. There was committee consensus that this policy should be presented to the TCHC Board at the February 23, 2018 meeting for review and approval.

VI PUBLIC COMMENT

General comment: None.

VII ADJOURNMENT

The meeting was adjourned by Chairperson Serratelli at 11:51 A.M. The next scheduled meeting is Thursday, March 15, 2018 at 10:00 A.M.

Respectfully submitted,

Michelle Reardon, Recording Secretary

**DRAFT Meeting Minutes of the Traverse City Housing Commission
Executive & Governance Committee
February 18, 2018**

A regular meeting of the Executive Committee of the Executive & Governance Committee of the Traverse City Housing Commission was called to order by President Andy Smits at 5:30 P.M. on February 18, 2018 at the TCHC Offices located at 150 Pine Street, Traverse City, Michigan.

ROLL CALL

The following Commissioners were present: Brian Haas, Past President, and Andy Smits, President.

CORRESPONDENCE

There was no correspondence discussed.

AGENDA

The following Agenda items were discussed:

- A. The Minutes of the February 5, 2018 Executive Committee Meeting were presented.
- B. A financial update was presented and discussed.
- C. The policy review schedule was presented and briefly discussed.
- D. Staff gave a brief review of real estate projects. Staff presented a draft financial projection and a memorandum on a potential property purchase. After review, staff will edit the memorandum after reviewing with Ward Kuhn.
- E. Staff provided a brief update on the work of two committees – Communications & Outreach and Governance.
- F. The February 23, 2018 Draft Agenda was briefly discussed and will include:
 - A property purchase will be discussed.
 - The new contract of the Executive Director will be discussed.
 - The need for a new Vehicle Policy was discussed and will be presented.
- G. Other: The Rick Michael Memorial event was discussed.
- H. The Committee will attempt to meeting on March 16, 2018.

ADJOURNMENT

President Smits adjourned the meeting at 6:33 P.M.

Respectfully submitted,

Andy Smits, President &
Tony Lentych, Executive Director

DRAFT Meeting Minutes of the Traverse City Housing Commission Communication & Outreach Committee

February 6, 2018

A Communications & Outreach Committee Meeting of the Traverse City Housing Commission was called to order by Commissioners Friend and Haas at the TCHC Office, 150 Pine Street, Traverse City, Michigan, at 4:30 P.M.

ROLL CALL

The following Commissioners were present: Jim Friend and Brian Haas.

Staff: Tony Lentych, Executive Director, and Angie Szabo, Intake/FSS Coordinator.

Other: Kathleen Stocking.

AGENDA

- A. The minutes of the previous meeting were reviewed and the agenda was approved.
- B. It was noted that the committee had a guest who was considering joining the committee.
- C. **Old Business**
The following Old Business items were discussed:
 - Building Art: There was no discussion on this item but the purpose of this item was clarified for all members present. Commissioner Friend will engage the Traverse City Art Commission on this topic in the near future.
 - After considering several drafts, the final draft of the graphic element was discussed and recommended for approval.
 - An update on the new website was provided.
- D. **New Business**
The following New Business items were discussed:
 - The Rick Michael Memorial dedication was discussed. It was decided that it is important to engage a photographer to attend the event.
 - There was a discussion on how TCHC would address the media long-term. Items under consideration were Op-Ed pieces, Record Eagle Forum pieces, and social media engagement. This will continue to be a topic of consideration for this committee.
 - Unveiling our future housing developments to the public was discussed. Staff stated that East Bay Flats will be unveiled during the presentation to the City Commission later this month.
 - Other: Staff presented two handouts on how to develop a media strategy for affordable housing. The committee will review these items and discuss in detail at the next committee meeting.

ADJOURNMENT

The Committee adjourned at 5:10 P.M.

After a brief discussion on the calendar, it was announced that the next meeting will be on March 6, 2018 at 4:00 P.M. at Riverview Terrace.

Respectfully submitted,

Brian Haas & Angie Szabo, Intake/FSS Manager



Traverse City Housing Commission
A Public Housing Authority

STAFF & PROGRAM REPORTS

Executive Director's Report: February 2018

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

Resident Council Report: February 2018

EXECUTIVE DIRECTOR'S REPORT: February 23, 2018

This report covers the work accomplished from February 1, 2018 until February 22, 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: No units are open at this time. We do anticipate two move outs within the next month.
2. Orchardview: No units are open at this time.

Housing Choice Vouchers

1. We have 167 HCV filled at this time. We have approximately 10 individuals/families looking for housing at this time after a briefing held in early January. The 120% Payment Exception is still under consideration by the Detroit Field Office.

Projects & Potential Projects

1. Still working to finalize a strategy on 8th Street Property with property owner. Waiting to hear from City staff on what is needed (minimally) to formally request zoning changes.
2. Preparing a property management bid for one potential residential development project – Working with TCHC attorney to create generic legal Property Management contract for this purpose that can be used with other projects too.
3. Continued conversations and meetings with partners to implement Homeless Youth Housing.
4. Multiple meetings with Socks Construction and potential equity partner on EAST BAY FLATS project that will become workforce housing – serving 80% of AMI. Equity partner may secure \$1,000,000.00 investment and has begun working with financial institutions for permanent financing opportunity. We have finalized a construction budget (enough for underwriting standards). Started conversations with City personnel on tax abatement/PILOT.
5. Phone conversation with the director of Rotary Charities to provide an update on a capital grant made to a potential housing project.
6. Meeting with Chemical Bank staff about potential project financing.

7. Meeting with Jason Allen, newly appointed State director of the USDA Rural Development Office in Michigan.

| | |
|-------------------------|--|
| Strategic Goal 2 | Create opportunities for residents to improve quality of life and achieve individual successes. |
|-------------------------|--|

1. Multiple meetings with the leadership of the Riverview Terrace Resident Council about building-wide issues. Worked with new Treasurer to review monthly financial status.

| | |
|-------------------------|--|
| Strategic Goal 3 | Foster an environment of innovation and excellence. |
|-------------------------|--|

Strategic Planning

1. Preparing Annual Report to the City – presentation next week.
2. Continued research for the white paper on the future of TCHC.

Financial

1. Prepared monthly financial reports for January 2018. Work with fee-accountant to submit our annual Calculation of Operating Subsidy forms.

General Management

1. Distributed all Personnel Policy & Procedure Manuals – each employee signed receipt and acknowledgement forms.

Office IT

1. Continued conversations with representatives of Byte Productions to work on our website.

TCHC

1. Attended one TCHC regular meeting (February 9) and prepared for another (February 23).
2. Coordinated an Executive Committee meeting. Prepared for a Governance Committee meeting. Prepared for and attended a Communications & Outreach Committee meeting.
3. Conversations/phone calls/e-mails with several Commissioners at various times discussing multiple issues.

| | |
|-------------------------|---|
| Strategic Goal 4 | Increase community engagement and understanding of our work. |
|-------------------------|---|

1. Housing Solution Network: Chaired a monthly meeting of the Housing Solutions Network where the connection between regional health initiatives and their impact on housing.
2. Community Economic Development Association of Michigan (CEDAM): Participated in a bi-monthly Board of Directors Meeting and another conference call with CEDAM members and staff about MSHDA's Qualified Allocation Plan (QAP) and proposed changes for 2018-2019.
3. Federal Home Loan Bank of Indianapolis: Participated in an advocacy conference call regarding the AHP program.
4. Media: Multiple conversations and coordination efforts with Record Eagle reporter that resulted in article announcing our efforts on 8th Street. Also participate in a radio interview on WNMC.
5. Finalized the Rick Michael memorial dedication event at Safe Harbor.

| | |
|----------------------|---|
| Miscellaneous | Other information / On-going Issues – plus personal items. |
|----------------------|---|

1. Several emails with TCHC attorney, Ward Kuhn on a variety of issues.
2. "SHARED DRIVE" / "RIVERWALK": There was no movement on the Shared Drive issue. There was no new development on the Riverwalk issue.
3. "ENGINEERING SERVICES": No movement on this issue.
4. Holiday/Vacation/Personal Time: None.

FAMILY SELF-SUFFICIENCY (FSS) PROGRAM REPORT

February 23, 2017

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 |
|---------------------------|-----------------------------|------------------------|--|---|
| 23 | 22 | 96% | 13 | 62% |

Program Manager Update

I am continuing to meet with current FSS clients and continue to schedule appointments to update their goal plans. We do not have a new client briefing planned so I will be working with staff during the recertification process to identify potential participants. This is a great opportunity to go over FSS with the clients and hopefully get some new participants. The next Program Coordinating Committee meeting is scheduled for March 8, 2018. I have invited representatives from Community Mental Health and NMCAA and have identified an HCV client and a client from public housing to join the committee as well.

Status of Participants

Current participants are showing progress and continuously working to meet their goals. I have enrolled two (2) new clients to the program this week and their contracts will start March 1, 2018. We have another FSS family that has increased their household income and will be receiving their first escrow payment April 1, 2018.

FSS Grant

There has been a delay in funding this program but we are awaiting our first disbursement.

Resident Council Report

February 19th, 2018

We had our second R.C. meeting and for 2 months in a row we had a Quorum. I think we had a more relaxing atmosphere this month and it went well. The ED was asked to attend, and he gave some updated information on several issues.

I met with C. C. Hovie on Tuesday. She is the program coordinator for the Senior Center and she came to get a tour of our facilities. She would like to partnership with us as well as the COAST bus. She will be coming on the 6th of March to meet with the residents to inform them of the activities that they offer at the senior center.

Our printer broke down last week, and we used HUD money to buy a new one which will show up on our financial report next month.

The residents have been very supportive of the new council, and donations have been over and above what we anticipated!

Jo Simerson, President

RIVERVIEW TERRACE RESIDENT COUNCIL

MINUTES, FEBRUARY 16, 2018

Welcome and Call to order: 2:00 pm by Jo Simerson, Pres.

Pledge of allegiance:

Roll Call:

Jo Simerson, Pres, Laura Cole, Vice Pres, Norma Loper, Sec. Louis Kanan, Treas. Patty Szabo, Social Coordinator, Absent (approved) 16 present (quorum)

Introduction of guest by Pres. Jo Simerson: ED Tony Lentych.

Consent of Agenda:

moved to accept by Samir, seconded by Pam, approved.

Reading of minutes for January 19, 2018.: Read by Sec. Norma Loper.

moved to accept by Harold , seconded by Gene, approved as read.

Guest Speaker: Tony Lentych.

A. Laundry Room: a revamp is in the works including new washers and dryers. No date set.

B. Laundry carts: They are for everyone, do not keep them in your apt. Tony suggests a 15 minute time frame for each time you use the cart.

C. Governance Meeting: Monday February 19, 2018, @ 10am.

D. Memorial Service for Rick Michaels at Safe Harbor Sat. February 24, 2018 @ 2:30 pm.

Treasurers Report:

A. Read By Louis Kanan : (See attached).

Other Committee reports:

A. River-walk update: Ellen Corcoran

In Ellen's absence, Jo reported No update at this time.

Old Business:

A. Anyone interested in learning the Wii and the DVD , come to the R.C. Office to sign up.

New Business:

A. Senior Center Activity coordinator (C.C. Hovie) would like to set up some activities for Seniors in Riverview Terrace with free rides to the Senior Center.

1. Jo has set up a meeting in the Community Room March 6, 2018 regards this.

B. Regards the Wii Game

1. When you sign out a Wii game, it MUST be played in the community room NOT in your apartment.
2. They must be returned to the R.C. Office between 11am and 2pm the next day

C..Purchase of new printer:

- 1 Pres. Jo Simerson stated that our RC office printer had finally died. That we needed to purchase a new one. Samir stated that he had a used one that he would donate to the RC office.
2. Jo asked how many would rather accept the donation of a printer instead of buying one? Almost everyone raised their hands and said yes.
3. We are going to give this used printer a try.

Public Comment:

- A. Snack Bar: There were many ideas, but this will have to be worked on before anything can be decided.

Council Member Comments:

none

Motion to Adjourn at 2:40 pm by JoAnn Fialon seconded by Lois DeHart.

Next meeting: March 17, 2018.

Riverview Terrace Resident Council
AGENDA FEBRUARY 16, 2018

Welcome & Call to order;

Pledge of Allegiance;

Roll Call of Officers;

Reading & Approval of minutes;

For January 19, 2018

Treasurer's Report

-Met with ED Tony Lentych on Resident Council Financial Status. Everything came out perfect.

Other Committee reports;

-River-Walk update....Ellen Corcoran

Old Business;

-Anyone interested in learning the Wii & or DVD, come to the R.C. Office to sign up.

RC Hours

M-F..... 11am-2pm

Sat.....11am-1pm

Sunday....Closed

New Business:

-Senior Center Activity Coordinator (C.C. Hovie) would like to set up some activities for Seniors in Riverview Terrace with free rides to the Senior Center.

-RE the Wii Games

1) When you sign out a Wii...it MUST be played in the Community Room NOT in your apartment.

2) They must be returned to the R.C. Office between 11am and 2pm the next day.

Public Comment;

Council Members Comment;

Motion To Adjourn;

Next Meeting;

Riverview Terrace Resident Council

FY 2017-2018

| | July** | Aug | Sept | Oct | Nov | Dec | Jan |
|----------------------------|--------|-------------|-------------|-------------|-----------|-----------|-----------|
| Restricted Balance Forward | \$ - | \$ - | \$ 1,614.43 | \$ 1,005.29 | \$ 947.29 | \$ 634.13 | \$ 527.65 |
| Income | \$ - | \$ 1,725.00 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Expenses | \$ - | \$ 110.57 | \$ 609.14 | \$ 58.00 | \$ 313.16 | \$ 106.48 | \$ 39.99 |
| SUB TOTAL | \$ - | \$ 1,614.43 | \$ 1,005.29 | \$ 947.29 | \$ 634.13 | \$ 527.65 | \$ 487.66 |

| | | | | | | | |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Unrestricted Balance Forward | \$ 142.39 | \$ 80.85 | \$ 70.93 | \$ 263.25 | \$ 154.29 | \$ 234.37 | \$ 214.03 |
| Income | \$ - | \$ 105.26 | \$ 500.00 | \$ 21.86 | \$ 100.00 | \$ 36.00 | \$ - |
| Expenses | \$ 61.54 | \$ 115.18 | \$ 307.68 | \$ 130.82 | \$ 19.92 | \$ 56.34 | \$ - |
| Savings Fund | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| SUB TOTAL | \$ 80.85 | \$ 70.93 | \$ 263.25 | \$ 154.29 | \$ 234.37 | \$ 214.03 | \$ 214.03 |

| | | | | | | | |
|-------------|----------|-------------|-------------|-------------|-----------|-----------|-----------|
| EOM TOTAL * | \$ 80.85 | \$ 1,685.36 | \$ 1,268.54 | \$ 1,101.58 | \$ 868.50 | \$ 741.68 | \$ 701.69 |
|-------------|----------|-------------|-------------|-------------|-----------|-----------|-----------|

* Equals Bank Statement

**The RTRC Office was closed in July

Total Savings = \$ 5.00

Petty Cash = \$ 90.00

Laundry Fund = \$ 50.00

GRAND TOTAL = \$ 846.69

Current as of January 31, 2018

69437 1 AV 0.376

115520-69437-276



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

Good News For LMCU Credit Card Holders:
Minimum Monthly Payments Reduced! If you
carry a monthly balance on your LMCU
credit card, your minimum payment
requirements have been reduced, making
your credit go a little bit farther each
month. Details of the new rate are
outlined in your January 22 credit card
statement. If you have questions call us
at (800) 242-9790.

Summary-Share Accounts

| ID # | Type | Beginning Balance | Ending Balance |
|------|----------------|----------------------|-------------------|
| 00 | MEMBER SAVINGS | \$5.00 | \$5.00 |
| 01 | FREE CHECKING | \$741.68 | \$701.69 |
| | Total | | \$706.69 |

MEMBER SAVINGS**Share Account ID 00**

| Trans | Eff Date | Transaction | Withdrawal | Deposit | Balance |
|--------|----------|-------------------|------------|---------|---------|
| Jan 01 | | Beginning Balance | | | \$5.00 |
| Jan 31 | | Ending Balance | | | \$5.00 |

FREE CHECKING**Share Account ID 01**

| Trans | Eff Date | Transaction | Withdrawal | Deposit | Balance |
|--------|----------|---|------------|------------|----------|
| Jan 01 | | Beginning Balance | | | \$741.68 |
| Jan 16 | Jan 16 | Draft 1149 Tracer 042000018306932 Processed Check - Charter TYPE: Check Pmt ID: 3431843260 DATA: ///////////////0000003019 | (\$39.99) | Phone Bill | \$701.69 |
| Jan 31 | | Ending Balance | | | \$701.69 |

Checking Account Summary

| Chk# | Date | Amount | Chk# | Date | Amount | Chk# | Date | Amount |
|--------|--------|-----------------------------|----------|------|----------------|------|------|--------|
| □ 1149 | Jan 16 | \$39.99 | | | | | | |
| | | Total Checks Cleared | 1 | | \$39.99 | | | |

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

LAKE MICHIGAN CREDIT UNION • P.O. Box 2848 • Grand Rapids, MI 49501-2848
(616) 242-9790 • 1-800-242-9790 • www.lmcu.org

**RIVERVIEW TERRACE RESIDENT COUNCIL
FINANCIAL REPORT FOR
JANUARY, 2018**

- **UNRESTRICTED FUNDS (RESIDENT COUNCIL)**

\$214.03

*no expenses

- **RESTRICTED FUNDS (HUD)**

\$527.65

*phone bill..... \$39.99

\$487.66

- **DONATIONS**

Received \$45.00 in donations but it wasn't deposited until FEBRUARY – along with the donations from the SUPERBOWL PARTY and VALENTINES/BIRTHDAY BASH.

- **PETTY CASH / QUARTERS**

petty cash.....\$100.00

quarters.....\$50.00



Traverse City Housing Commission
A Public Housing Authority

OLD BUSINESS

2018 Consolidated Budget: Review of January 2018

TCHC Policy Review Schedule: Review

Executive Director Review: Update on Goals

Memorandum on New Graphic Element/Logo: Action Requested

TCHC Smoke Free Policy: Action Required

TRAVERSE CITY HOUSING COMMISSION

CONSOLIDATED INCOME AND EXPENSE BUDGET WORKSHEET

| | FY 2017 ACTUAL* | FY 2018 BUDGET | JANUARY 2018 ACTUAL* | FY 2018 YTD ACTUAL* | % OF BUDGET |
|---|------------------------|------------------------|-------------------------|------------------------|----------------|
| OPERATING INCOME | | | | | |
| Property Rents | \$ 430,802.36 | \$ 435,000.00 | \$ 36,452.00 | \$ 252,834.00 | 58.12% |
| Investment Interest | 3,296.42 | 2,500.00 | 146.57 | 1,183.67 | 47.35% |
| Program Income: HCV | 1,106,748.50 | 1,025,000.00 | 92,104.00 | 599,029.00 | 58.44% |
| Program Income: FSS | 66,966.85 | 66,600.00 | - | 33,490.00 | 50.29% |
| Earned Income | 139,035.24 | 122,500.00 | 26,064.51 | 93,299.14 | 76.16% |
| HUD Property Subsidy | 253,023.00 | 250,000.00 | 17,860.00 | 136,618.00 | 54.65% |
| CFP / Draw on Surplus | 92,528.08 | 199,000.00 | - | 59,990.87 | 30.15% |
| TOTAL OPERATING INCOME | \$ 2,092,400.45 | \$ 2,100,600.00 | \$ 172,627.08 | \$ 1,176,444.68 | 56.01% |
| OPERATING EXPENSES | | | | | |
| Salaries | \$ 220,395.30 | \$ 229,500.00 | \$ 24,284.76 | \$ 129,186.55 | 56.29% |
| Benefits | 82,942.28 | 84,830.00 | 4,958.30 | 49,247.66 | 58.05% |
| Compensated Absences | 3,333.77 | (1,500.00) | - | - | 0.00% |
| Legal | 15,742.24 | 17,500.00 | 354.00 | 4,520.50 | 25.83% |
| Travel / Staff Training | 20,941.40 | 15,000.00 | 359.30 | 8,035.96 | 53.57% |
| Accounting / Auditing | 20,477.92 | 22,000.00 | 1,436.91 | 15,875.28 | 72.16% |
| General Office Expenses | 86,359.91 | 72,500.00 | 11,578.65 | 41,809.07 | 57.67% |
| TOTAL OPERATING EXPENSES | \$ 450,192.82 | \$ 439,830.00 | \$ 42,971.92 | \$ 248,675.02 | 56.54% |
| TENANT PROGRAMS & SERVICES | | | | | |
| Recreation, Programs, and Other | \$ 9,249.64 | \$ 8,575.00 | \$ - | \$ 3,175.58 | 37.03% |
| Cable Television | 37,215.33 | 37,460.00 | 3,337.37 | 22,320.23 | 59.58% |
| HAP | 974,570.52 | 965,400.00 | 90,548.00 | 598,039.42 | 61.95% |
| TOTAL TENANT PROGS / SERVICES | \$ 1,021,035.49 | \$ 1,011,435.00 | \$ 93,885.37 | \$ 623,535.23 | 61.65% |
| UTILITIES | | | | | |
| Water | \$ 14,871.90 | \$ 16,500.00 | \$ 1,092.87 | \$ 9,759.88 | 59.15% |
| Electricity | 128,456.86 | 150,000.00 | 14,436.92 | 67,552.91 | 45.04% |
| Gas | 15,100.66 | 15,500.00 | 3,543.40 | 7,079.64 | 45.68% |
| TOTAL UTILITIES | \$ 158,429.42 | \$ 182,000.00 | \$ 19,073.19 | \$ 84,392.43 | 46.37% |
| MAINTENANCE / BUILDING OPERATION | | | | | |
| Labor | \$ 93,120.02 | \$ 101,410.00 | \$ 13,273.02 | \$ 64,989.78 | 64.09% |
| Maintenance Benefits | 30,400.02 | 37,870.00 | 2,733.28 | 24,277.11 | 64.11% |
| Materials | 35,531.40 | 25,000.00 | 1,089.95 | 17,539.32 | 70.16% |
| Contract / CFP Costs | 225,578.48 | 175,000.00 | 13,971.96 | 144,365.32 | 82.49% |
| TOTAL ORDINARY MAINTENANCE | \$ 384,629.92 | \$ 339,280.00 | \$ 31,068.21 | \$ 251,171.53 | 74.03% |
| GENERAL EXPENSE | | | | | |
| Insurance | \$ 28,633.24 | \$ 30,600.00 | \$ 2,412.51 | \$ 16,934.53 | 55.34% |
| Payment in Lieu of Taxes | 24,364.73 | 23,000.00 | 1,780.00 | 12,596.67 | 54.77% |
| Collection Losses | 7,467.66 | 5,000.00 | - | 0.97 | 0.02% |
| Interest Expense / Other | 32,604.61 | 32,000.00 | - | - | 0.00% |
| TOTAL GENERAL EXPENSE | \$ 93,070.24 | \$ 90,600.00 | \$ 4,192.51 | \$ 29,532.17 | 32.60% |
| EXTRAORDINARY / CASUALTY | | | | | |
| | \$ 4,545.00 | \$ 10,000.00 | \$ - | \$ 797.00 | 7.97% |
| TOTAL OPERATING EXPENSES | \$ 2,111,902.89 | \$ 2,073,145.00 | \$ 191,191.20 | \$ 1,238,103.38 | 59.72% |
| NET OPERATING INCOME (LOSS) | \$ (19,502.44) | \$ 27,455.00 | \$ (18,564.12) | \$ (61,658.70) | |
| PROPERTY IMPROVEMENTS/EQUIP* | \$ (170,915.39) | \$ (25,000.00) | \$ (734.00) | \$ (56,617.00) | |
| RESIDUAL RECEIPTS (DEFICIT)* | \$ (190,417.83) | \$ 2,455.00 | \$ (19,298.12) | \$ (118,275.70) | |

* Accountant Reviewed

TRAVERSE CITY HOUSING COMMISSION

CONSOLIDATED INCOME AND EXPENSE BUDGET WORKSHEET

| | Explanation / Description |
|---|--|
| OPERATING INCOME | |
| 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 |
| TOTAL OPERATING INCOME | A total of operating income amounts. |
| OPERATING EXPENSES | |
| 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. |
| TOTAL OPERATING EXPENSES | A total of all operating expenses across all program activities. |
| TENANT PROGRAMS & SERVICES | |
| 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. |
| TOTAL TENANT PROGS / SERVICES | A total of all tenant programming and services. |
| UTILITIES | |
| 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. |
| TOTAL UTILITIES | A total of all utility expenditures. |
| MAINTENANCE / BUILDING OPERATION | |
| 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. |
| TOTAL ORDINARY MAINTENANCE | A total of all ordinary maintenance and building operation expenditures. |
| GENERAL EXPENSE | |
| 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. |
| TOTAL GENERAL EXPENSE | A total of all general expense expenditures. |
| EXTRAORDINARY / CASUALTY* | A total of unexpected and unbudgeted items plus expenses reimbursed from insurance proceeds. |
| TOTAL OPERATING EXPENSES | A grand total of all expenses. |
| NET OPERATING INCOME (LOSS) | This amount reflects total income over total expenses. |
| PROPERTY IMPROVEMENTS/EQUIP* | A total of all property and equipment purchased above \$1,500 capitalization threshold - plus all appliances. This category utilizes prior year(s) receipts of funding. |
| RESIDUAL RECEIPTS (DEFICIT)* | Final amounts to be determined by accountants. |

* Accountant Reviewed

TCHC MONTHLY CASH POSITION REPORT
END OF JANUARY 2018

PUBLIC HOUSING

| | | | | |
|---------------------|---------------|-----------|--------------------------|------------------------|
| Chemical Bank | Checking | \$ | 23,201.59 | |
| 4Front Credit Union | Savings | \$ | 6,609.77 | |
| TC State Bank | 1051647 | \$ | 162,871.91 | |
| TC State Bank | 53691 | \$ | 42,462.61 | |
| Huntington Bank | 1388434863 | \$ | 162,915.85 | |
| TC State Bank | ICS Acct | \$ | 75,769.65 | |
| Chemical Bank | 1075909 | | - | |
| Chemical Bank | 9426 | \$ | 17,628.41 | |
| Huntington Bank | 1388405232 | \$ | 26,827.44 | |
| 4Front Credit Union | CD 16525-S100 | \$ | 31,460.02 | Certificate of Deposit |
| Chemical Bank | CD 806592 | \$ | 52,141.73 | Certificate of Deposit |
| SUB TOTAL | | \$ | <u>601,888.98</u> | |

HOUSING CHOICE VOUCHER

| | | | | |
|------------------|--------------|-----------|--------------------------|----------------|
| PNC | Checking | \$ | 127,894.26 | |
| Chase Bank | 135080088317 | \$ | 76,036.35 | Escrow Account |
| SUB TOTAL | | \$ | <u>203,930.61</u> | |

OTHER

| | | | | |
|--|--|-----------|-----------------------------------|------------|
| Reserves/FSS/CFP* | | \$ | 291,826.75 | Restricted |
| SUB TOTAL | | \$ | <u>291,826.75</u> | |
| TOTAL Cash & Cash Equivalents | | \$ | <u><u>1,097,646.34</u></u> | |

* as of September 30, 2017

TCHC Policy Review Schedule

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


TCHC Policy Review Schedule

| POLICY | First Adopted | Previous Review(s) | Scheduled Review | Update Complete |
|--|--------------------|--------------------|--------------------|--------------------|
| Investment Policy | June 25, 1985 | Unknown | TBD | |
| Key (Master) Policy | July 18, 2006 | April 2016 | NA | April 22, 2016 |
| Maintenance Policy | Unknown | Unknown | TBD | |
| Pet Policy | April 20, 2010 | October 2016 | NA | October 28, 2016 |
| Petty Cash Policy | Unknown | Unknown | TBD | |
| Personnel Policy / Employee Handbook | Unknown | August 2017 | August 2020 | August 25, 2017 |
| Pest Control Policy | Unknown | Unknown | TBD | |
| Procurement Policy | May 1, 1990 | Unknown | TBD | |
| Public Housing Maintenance Plan | Unknown | Unknown | TBD | |
| Reasonable Accommodation | April 19, 2011 | Unknown | TBD | |
| Rent Collection Policy | April 5, 1988 | None | NA | October 27, 2017 |
| Safety & Evacuation Policy | December 19, 2006 | December 19, 2008 | August 2017 | On-Going |
| Schedule of Excess Utility Charges Policy | 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 | |
| Smoke-Free Properties Policy | December 19, 2006 | September 18, 2012 | Summer & Fall 2017 | September 29, 2017 |
| Social Security Number Privacy Policy | January 22, 2016 | January 2016 | NA | January 22, 2016 |
| Succession Plan | May 15, 2007 | July 17, 2014 | NA | December 1, 2017 |
| Transfer Policy | Unknown | Unknown | TBD | |
| Travel Policy | Unknown | Unknown | TBD | |
| Trespass Policy | Unknown | Unknown | TBD | |
| Vehicle Policy | August 2006 | February 2011 | February 2018 | |
| Social Media Policy | August 26, 2016 | August 2016 | NA | August 26, 2016 |

TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: February 23, 2018
TO: All Commissioners of the Traverse City Housing Commission
FROM: Tony Lentych, Executive Director 
SUBJECT: Executive Director Goals - Update

MESSAGE:

Attached is an update on the goals we discussed at our August Meeting. Four of the goals are essentially completed and two are actively coming to a conclusion. Goal No. 2, is underway but there needs to be some conversation this month on the second part of that goal, Item B.

Please note that the last goal, Goal No. 5, the "Evaluation of the Organization" is to be submitted to the Commission for review and discussion at the March 23, 2018 Regular Commission Meeting.

ATTACHMENT: Executive Director Goals
E-Mail from NAHRO

EXECUTIVE DIRECTOR GOALS
August 25, 2017 through March 25, 2018

| GOAL | ACTIVITY | DATE DUE | UPDATE |
|------|--|---|--|
| 1. | BOARD EDUCATION ON HOUSING DEVELOPMENT: Develop a comprehensive plan to fully educate the Board on overall Housing Knowledge – including RAD, long-term Riverview plans, method of LIHTC scoring, update on TAHDCO, his past/current efforts in local TC housing arena, etc. Education method(s) to be both written/documented and verbal, via appropriate meeting format. <u>Note:</u> Possible Joint Session with other City Commissions/Authorities. | PLAN: December 1, 2017 Board Meeting IMPLEMENT: December 2017* | Phase I Completed – Training Conducted on December 19, 2017 Whether a Phase II is needed will be discussed by Board in January. |
| 2. | IMPROVE COMMUNICATIONS: A. Develop a Plan for a fully functional external public website, including archival Board packet/public information; obtain bids from vendors for implementation. B. Develop a Plan for an internal Board method to collectively establish & utilize an agenda / tracking mechanism to manage dates and expectations. | December 2017 Board Meeting | A. Draft Website is under Construction (attached). B. To be discussed at February meeting. |
| 3. | DEVELOP INCENTIVE COMPENSATION PLAN: Develop Incentive Compensation Plan Version 1.0. Set performance criteria for each of the four (4) performance ‘bubbles’ previously approved. Plan for possible December 2017 payout. Plan to be reviewed by auditors in October; also subject to final Board approval. | Prior to October 2017 Audit | Met with Auditor and presented to the Governance Committee. Prepared for Commission 2/23/18. |
| 4. | COMPLETION OF PUBLIC HOUSING MANAGER CERTIFICATION: Attend and complete one-week course with certification exam. | October 2017 | Complete |
| 5. | EVALUATION OF ORGANIZATION: Provide a “White Paper” to Board with thorough Evaluation of feasibility and manner of advancement of TCHC’s independence from HUD. This may include analysis of grants, side funding, CDBG, or other factors. | March 2018 Board Meeting* | First Draft started. |
| 6. | NEW BOARD MEMBER ORIENTATION POLICY/PROCESS: Full development and application of an up-to-date, effective process for new TCHC Board members. | October 2017 Board Meeting | Complete |

*Subject to Change/Adjustment by Commission.

Tony Lentych

From: Blake Pavlik <bpavlik@nahro.org>
Sent: Monday, January 29, 2018 5:02 PM
To: Tony Lentych
Subject: NAHRO Certification Application

Tony P. Lentych,
Congratulations! Your application for the NAHRO Certified Public Housing Manager (C-PHM) has been approved.

You will receive your certification materials including official letter, certificate and award pin via US Postal Service First Class Mail to the address noted on your application:

Tony P. Lentych
Traverse City Housing Commission
150 Pine ST
Traverse City, MI 49684

Please note your certification will remain in active status for three years at which time you need to submit a recertification application documenting required continuing education.

You are authorized to use the designation C-PHM in your communications.

Thank you for your support of NAHRO Certification™ and again congratulations!



Please contact me with any questions. Thank you for your time.

Blake Pavlik | Director – Certification and Accreditation

Direct: 202.580.6261 Fax: 202.289.8181 Email: bpavlik@nahro.org

National Association of Housing and Redevelopment Officials

630 Eye Street NW Washington, DC 20001 Toll Free: 877.866.2476 www.nahro.org

Connect with us |  

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TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: February 23, 2018
TO: All Commissioners of the Traverse City Housing Commission
FROM: Tony Lentych, Executive Director
SUBJECT: New Graphic Element (Logo) for TCHC

MESSAGE:

As part of our website redesign efforts, Byte Productions has recommended the creation of a new graphic element or logo for our organization. The Communications & Outreach Committee that has been the lead on this project has worked with Byte Production designers and have agreed upon the attached design and is requesting its adoption.

Once this graphic element is adopted, phase one of the website redesign will be completed and the website will be launched before our next meeting. It is our plan to then incorporate the new graphic element into the rest of our corporate identification items during the next several months.

ATTACHEMENT: Graphic Element and Sample Letterhead Use
Use on New Website

Proposed Graphic Element for Traverse City Housing Commission:



May be used on Letterhead, etc. (this is just a sample):



TRAVERSE CITY HOUSING COMMISSION

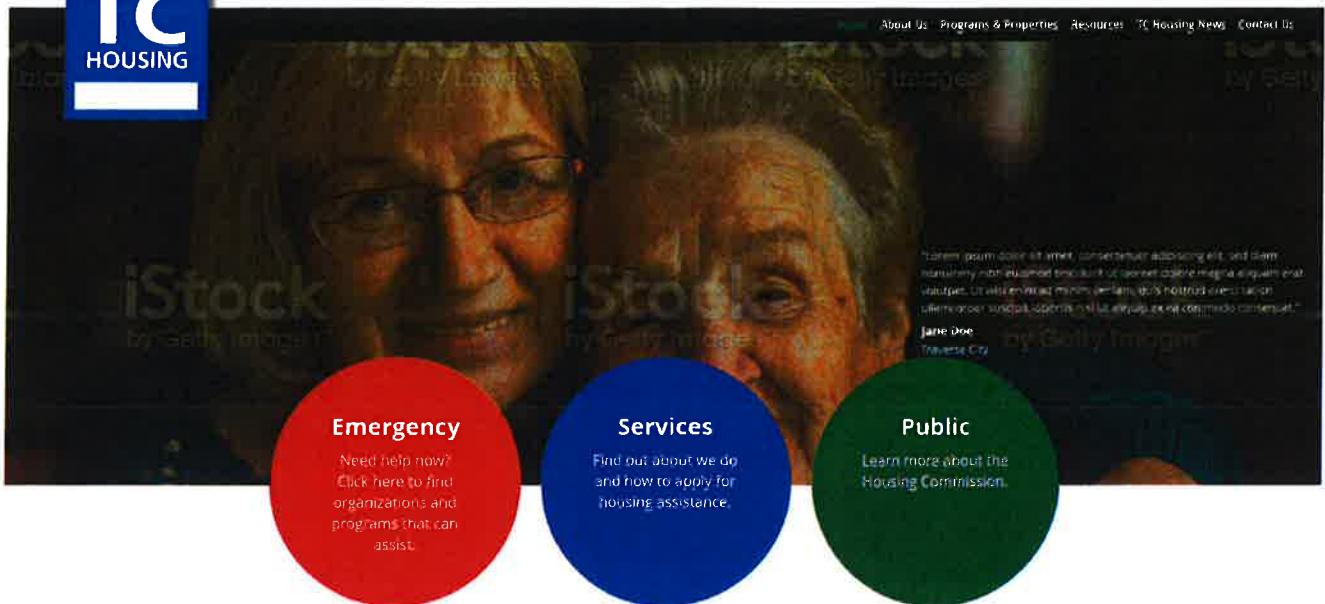
150 Pine Street, Traverse City, Michigan, 49684

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TC Housing: A Public Housing Authority *plus...*



Welcome TC Housing

Welcome to the Traverse City Housing Commission. Created in 1966 by the City of Traverse City, the Housing Commission operates Ruesslow Terrace and Orchardview, along with the Section 8 Housing Choice Voucher Program.

Applications are always accepted for Ruesslow Terrace and Orchardview. Our apartments are filled by use of a waiting list, which is the first step for all applications. If you are interested in information and/or an application for Ruesslow Terrace or Orchardview, please see the page tabs above.

You can access information regarding potentially available rental units by utilizing the links in the "Signpost" section of our web page, located to the left. This information is provided to give those searching for housing a basis to start from. You must contact the individual landlords to determine if there are available units, and what each landlord's requirements for occupancy are. Also located in the "Signpost" section is a link to the State of Michigan Landlord Tenant Handbook and Habitat for Humanity - Grand Traverse Region.

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TC Housing News

Test Blog Title Here

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Traverse City Housing Commission

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Traverse City, MI 49684
Phone: (231) 922-4915
Fax: (231) 922-2893
tc@tcpha.net



Office Hours:
Monday-Thursday 9AM - 4:30PM
Friday 9AM - 12:00PM (noon)
Closed on weekends


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TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: February 23, 2018
TO: All Commissioners of the Traverse City Housing Commission
FROM: Tony Lentych, Executive Director 
SUBJECT: Adoption of Smoke-Free Public Housing Policy

MESSAGE:

After much debate and review by the Traverse City Housing Commission and its Governance Committee, the attached Smoke Free Properties Policy is hereby presented for adoption.

TCHC staff, therefore, recommends adoption of the following:

RESOLUTION TO ADOPT THE SMOKE-FREE PROPERTIES POLICY

February 23, 2018

WHEREAS, the United States Department of Housing and Urban Development (HUD) now requires all public housing authorities including the Traverse City Housing Commission (TCHC) to implement a “smoke-free” policy banning the use of prohibited tobacco products in all public housing units, indoor common areas, and all administrative offices within 18 months of February 3, 2017; and

WHEREAS, HUD believes that the rule will improve indoor air quality and will, therefore, improve the health of all public housing residents, visitors, and staff while reducing the risk of catastrophic fires and will lower overall maintenance costs; and

WHEREAS, the TCHC, with much of the same rationale in mind, had previously adopted a smoke-free public housing rule in 2006 that established all properties owned by TCHC as Smoke-Free for all new tenants; and

WHEREAS, the TCHC concurs in the recommendation of the Governance Committee and staff to adopt the Smoke-Free Properties Policy.

NOW, THEREFORE, Be It Resolved by the Traverse City Housing Commission as follows:

The Smoke-Free Properties Policy is hereby adopted as presented by the Traverse City Housing Commission effective July 30, 2018, pending final legal review.

Traverse City Housing Commission

DRAFT Smoke-Free Properties Policy

1. **Purpose.** On February 3, 2017, the new rule by the U.S. Department of Housing and Urban Development (HUD) on Smoke-Free Public Housing became effective thereby giving public housing agencies that administer public housing programs 18 months to develop policies and procedures that prohibit the use of certain tobacco products. On April 28, 2017, the Traverse City Housing Commission approved a resolution that TCHC will be fully compliant with the HUD Smoke-Free Public Housing Rule before July 30, 2018. TCHC believes that the rule will improve indoor air quality and will, therefore, improve the health of all public housing residents, visitors, and staff. TCHC also predicts that the rule will reduce the risk of catastrophic fires and will lower overall maintenance costs.
2. **Rule.** As of July 30, 2018, smoking is not permitted anywhere in buildings owned by the Traverse City Housing Commission, including apartments, in accordance with the HUD Smoke-Free Public Housing Rule as stated below:

§ 965.653 Smoke-Free Public Housing.

- a) **In general.** PHAs must design and implement a policy prohibiting the use of prohibited tobacco products in all public housing living units and interior areas (including but not limited to hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures), as well as in outdoor areas within 25 feet from public housing and administrative office buildings (collectively, “restricted areas”) in which public housing is located.
- b) **Designated smoking areas.** PHAs may limit smoking to designated smoking areas on the grounds of the public housing or administrative office buildings in order to accommodate residents who smoke. These areas must be outside of any restricted areas, as defined in paragraph (a) of this section, and may include partially enclosed structures. Alternatively, PHAs may choose to create additional smoke-free areas outside the restricted areas or to make their entire grounds smoke-free.
- c) **Prohibited tobacco products.** A PHA's smoke-free policy must, at a minimum, ban the use of all prohibited tobacco products. Prohibited tobacco products are defined as:
 - (1) Items that involve the ignition and burning of tobacco leaves, such as (but not limited to) cigarettes, cigars, and pipes.
 - (2) To the extent not covered by paragraph (c)(1) of this section, waterpipes (hookahs).

3. **Coverage.** This policy covers all current residents, all employees, all guests, and all new residents of Riverview Terrace Apartments and Orchardview Townhomes. This policy covers all public housing units, indoor common areas, and all administrative offices.
4. **Signage.** "No Smoking" signs will be posted outside of all buildings and inside of all units.
5. **Exception.** Smoking outside of our buildings is limited to an area designated by TCHC management. At Riverview Terrace smoking is only allowed in the smoking gazebo and nowhere else – including the parking lot. There will be NO exception at Orchardview Townhomes; smoking is not allowed anywhere on that property. TCHC believes the presence of children on the property make a designated smoking area impractical.
6. **Complaints.** If a resident smells tobacco smoke in any place in the building, they are to report this to the TCHC office as soon as possible. Management will seek the source of the smoke and take appropriate action.
7. **Enforcement & Compliance Procedures.** Residents who, after documented investigation, are suspected of smoking in units or on the areas of our properties that are not designated for smoking will be subjected to the following enforcement and compliance procedures [it should be noted that there is a temporary approximate nine (9) month Initial Compliance period being enacted immediately after the policy becomes effective]:

Initial Compliance Period (Nine Months from Policy Implementation)
(This section will no longer be effective beginning March 31, 2019).

- | | |
|------------------------|--|
| First Offense: | Issuance of a Written Warning |
| Second Offense: | Issuance of Notice of Lease Violation |
| Third Offense: | Issuance of Notice of Lease Violation – Including a demand to cease behavior immediately and an inquiry about what assistance is needed for the resident to successfully comply with the rule. |
| Fourth Offense: | Issuance of Notice of Lease Violation – Including a mandatory meeting with staff to discuss options for smoking cessation or altering behavior. |
| Fifth Offense: | Issuance of Notice of Lease Violation – Resident will be informed in writing about the potential for lease termination with one additional documented offense. |
| Sixth Offense: | Issuance of Notice of Intent to Cancel Lease |

At the end of this Initial Compliance Period, a resident can eliminate all offenses from their record by attending a TCHC sponsored Smoking Cessation Class, or its equivalent, that will be offered at or near the end of the Initial Compliance Period.

Should a resident decide to NOT attend this class, the resident's offenses will be converted in the following manner:

- a) Having committed a First, Second, or Third Offense is the equivalent of a First Offense.
- b) Having committed a Fourth, Fifth, or Sixth Offense is the equivalent of a Second Offense.

Final Compliance Period (Beginning April 1, 2019)

First Offense: Issuance of Notice of Lease Violation – Including a mandatory meeting with staff to discuss options for smoking cessation or altering behavior.

Second Offense: Issuance of Notice of Lease Violation – Resident will be informed in writing about the potential for lease termination with one additional documented offense.

Third Offense: Issuance of Notice of Intent to Cancel Lease

- 8. **Disclaimer.** It is important to note that TCHC may not be able to always identify violators of this policy. Our goal is to provide a higher quality of life for all tenants, with that expectation in mind, TCHC staff will strive to identify any and all violators when such evidence warrants an offense. Any failure to enforce any part of this Smoke-Free Properties Policy by TCHC does not negate the right of TCHC to enforce it vigorously in the future.
- 9. **Certification.** New tenants will be given two (2) copies of the smoking policy. After review, the tenant will sign both copies and return one to the Traverse City Housing Commission's office. This copy will be placed in the tenant's file. Upon implementation of this policy, all tenants presently living at Riverview Terrace and Orchardview will be given two copies of the policy. After review, the tenant will sign both copies and return one to the Traverse City Housing Commission office. This copy will be placed in the tenant's file.

Adopted: December 19, 2006

Revised: September 18, 2012

Proposed: February 23, 2018

Effective: July 30, 2018

TENANT CERTIFICATION

I have read and understand the Smoke-Free Properties Policy and I agree to comply fully with the provisions. I understand that failure to comply may constitute reason for termination of my lease.

Lease Holder Name (Printed)

Apartment Number

Date

Lease Holder Signature



Traverse City Housing Commission
A Public Housing Authority

NEW BUSINESS

Acceptance of Fiscal Year 2017 Annual Audit: Action Required

Resolution to Adopt TCHC Vehicle Policy: Action Required

Memorandum on Incentive-Based Compensation Plan: Action Requested


Memorandum on the Purchase of Property: Action Requested

Memorandum on Executive Director Contract: Action Requested

TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: February 23, 2018
TO: All Commissioners of the Traverse City Housing Commission
FROM: Tony Lentych, Executive Director 
SUBJECT: Fiscal Year 2017 Annual Audit

MESSAGE:

Attached to this memorandum you will find a copy of the Fiscal Year 2017 Annual Audit and Management Letter. The audit was conducted in mid-October and we received the final documents dated November 30, 2017 via e-mail on December 1, 2017. These were distributed to you at the Study Session on December 19, 2017 but this item was not discussed. In January 2018, the Finance & Compliance Committee met and these items were reviewed. There was no request for additional discussion, so the FY 2017 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.

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

ATTACHEMENT: Fiscal Year 2017 Audit
Management Letter to TCHC



SMITH & KLACZKIEWICZ, PC
CERTIFIED PUBLIC ACCOUNTANTS

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A VETERAN OWNED BUSINESS

November 30, 2017

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, 2017. 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 August 25, 2017. 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 2017. 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 30, 2017.

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 + Klayman PC

Saginaw, Michigan



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, 2017



SMITH & KLACZKIEWICZ, PC
CERTIFIED PUBLIC ACCOUNTANTS

Traverse City Housing Commission

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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, 2017, 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, 2017, 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 30, 2017 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 + Klayhenwicz PC

Saginaw, Michigan

November 30, 2017

Traverse City Housing Commission

Management's Discussion and Analysis (MD&A) For the Year Ended June 30, 2017

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, 2017. 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 \$2,330,853. The net position decreased by \$126,319, or 5.1% from the prior year.

Revenues and contributions for the Housing Commission were \$2,167,418 during the year. This was a decrease of \$6,114 or .3% from the prior year.

Expenses for the Housing Commission were \$2,293,737 during the year. This was an increase of \$73,020 or 3.3% from the prior year.

HUD operating grants were \$1,420,021 during the year. This represents a decrease of \$5,186 or .4% from the prior year. Capital contributions were \$159,132 during the year. This was an increase of \$561 or .4% 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, 2017

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 \$2,330,853 at the close of the fiscal year, a decrease of \$126,319. The decrease in net position was primarily attributed to normal business fluctuations from year to year.

The unrestricted net position was \$715,587 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 \$54,074 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. 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, 2017

| | <u>2016</u> | <u>2017</u> |
|---------------------------------------|---------------------|---------------------|
| Current and other assets | \$ 1,114,465 | \$ 971,560 |
| Capital assets not being depreciated | 297,665 | 297,665 |
| Capital assets being depreciated, net | <u>1,874,298</u> | <u>1,882,869</u> |
| Total assets | <u>3,286,428</u> | <u>3,152,094</u> |
| Liabilities, current | 202,776 | 256,423 |
| Liabilities, noncurrent | <u>626,480</u> | <u>564,818</u> |
| Total liabilities | <u>829,256</u> | <u>821,241</u> |
| Net investment in capital assets | 1,496,047 | 1,561,192 |
| Restricted | 38,162 | 54,074 |
| Unrestricted | <u>922,963</u> | <u>715,587</u> |
| Total net position | <u>\$ 2,457,172</u> | <u>\$ 2,330,853</u> |

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

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. Part of the balance of net position is restricted for funding received from that may only be expended for the Housing Choice Program.

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, 2017

| | <u>2016</u> | <u>2017</u> |
|--------------------------------------|---------------------|---------------------|
| Revenues: | | |
| Program revenues: | | |
| Charges for services-tenant rent | \$ 432,879 | \$ 432,861 |
| Program grants and subsidies | 1,425,207 | 1,420,021 |
| Capital grants | 158,571 | 159,132 |
| General revenues: | | |
| Other revenue | 153,680 | 152,108 |
| Interest earned on deposits | <u>3,195</u> | <u>3,296</u> |
| Total revenues | <u>2,173,532</u> | <u>2,167,418</u> |
| Expenses – housing program | <u>2,220,717</u> | <u>2,293,737</u> |
| Increase (decrease) in net position | (47,185) | (126,319) |
| Net position – beginning of the year | <u>2,504,357</u> | <u>2,457,172</u> |
| Net position – end of the year | <u>\$ 2,457,172</u> | <u>\$ 2,330,853</u> |

Revenues:

As shown in the above table, total revenues decreased by \$6,114, due in large part to decreases in grants from HUD.

Expenses:

Total expenses increased \$73,020 or 3.2% from the prior year, due in large part to increased costs for housing assistance payments, maintenance items and an increased in labor costs.

CAPITAL ASSETS

The Housing Commission's investment in capital assets, net of related debt at the end of the year was \$1,561,192. 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, 2017

| | <u>2016</u> | <u>2017</u> |
|---|---------------------|---------------------|
| Capital assets not being depreciated | | |
| Land | \$ 297,665 | \$ 297,665 |
| Capital assets being depreciated | | |
| Buildings and improvements | 7,957,970 | 8,179,432 |
| Furniture, equipment and machinery – dwelling | 98,616 | 103,911 |
| Furniture, equipment and machinery – administration | <u>242,190</u> | <u>279,726</u> |
| Subtotal | <u>8,298,776</u> | <u>8,563,069</u> |
| Total capital assets | 8,596,441 | 8,860,734 |
| Less: accumulated depreciation | <u>(6,424,478)</u> | <u>(6,680,200)</u> |
| Total net capital assets | <u>\$ 2,171,963</u> | <u>\$ 2,180,534</u> |

Capital assets, net of accumulated depreciation increased by \$8,571, because the amount of depreciation expense charged (\$267,918) did not exceed the amount expended for replacement of capital assets (\$276,489).

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 \$619,342 in long-term debt outstanding compared to \$675,916 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 2018 the Traverse City Housing Commission will continue 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, 2017

The TCHC continues their efforts to house as many participants as they can, in order to maximize rent subsidy and Section 8 HCV Administrative Fees, within the authorized budget authority and decrease expenses for all programs when 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, 2017

| | |
|--|---------------------|
| Current assets | |
| Cash and cash equivalents | \$ 736,101 |
| Cash and cash equivalents - restricted | 95,980 |
| Cash - tenant security deposits | 34,608 |
| Investments | 83,420 |
| Accounts receivable, net | 20,220 |
| Prepaid expenses | 1,231 |
| Total current assets | <u>971,560</u> |
| Noncurrent assets | |
| Capital assets: | |
| Nondepreciable | 297,665 |
| Depreciable | 8,563,069 |
| Less: accumulated depreciation | <u>(6,680,200)</u> |
| Net capital assets | <u>2,180,534</u> |
| Total assets | <u>3,152,094</u> |
| Current liabilities | |
| Accounts payable | 47,602 |
| Due to other governmental units | 24,365 |
| Accrued liabilities | 31,631 |
| Tenant security deposits | 34,608 |
| Unearned revenue | 7,126 |
| Current portion of long-term debt | 60,710 |
| Accrued compensated absences, current portion | 8,475 |
| Other current liabilities (payable from restricted assets) | 41,906 |
| Total current liabilities | <u>256,423</u> |
| Noncurrent liabilities | |
| Long-term debt | 558,632 |
| Accrued compensated absences | 6,186 |
| Total noncurrent liabilities | <u>564,818</u> |
| Total liabilities | <u>821,241</u> |
| Net position | |
| Net investment in capital assets | 1,561,192 |
| Restricted | 54,074 |
| Unrestricted | 715,587 |
| Total net position | <u>\$ 2,330,853</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, 2017

Operating revenues

| | |
|----------------------------|------------------|
| Tenant revenue | \$ 432,861 |
| Program grants - subsidies | 1,420,021 |
| Other revenue | <u>150,148</u> |
| Total operating revenues | <u>2,003,030</u> |

Operating expenses

| | |
|-----------------------------|------------------|
| Administration | 438,844 |
| Tenant services | 46,465 |
| Utilities | 158,429 |
| Maintenance | 300,710 |
| Insurance | 28,633 |
| General | 31,833 |
| Housing assistance payments | 988,925 |
| Depreciation | <u>267,918</u> |
| Total operating expenses | <u>2,261,757</u> |

| | |
|-------------------------|------------------|
| Operating income (loss) | <u>(258,727)</u> |
|-------------------------|------------------|

Nonoperating revenues and (expenses)

| | |
|--|-----------------|
| Interest revenue - unrestricted | 3,296 |
| Fraud recovery | 1,660 |
| Gain / (loss) on sale of capital assets | 300 |
| Interest expense | <u>(31,980)</u> |
| Total nonoperating revenues and (expenses) | <u>(26,724)</u> |

| | |
|------------------------------------|-----------|
| Income (loss) before contributions | (285,451) |
|------------------------------------|-----------|

| | |
|------------------------------|----------------|
| Capital contributions | <u>159,132</u> |
|------------------------------|----------------|

| | |
|------------------------|-----------|
| Change in net position | (126,319) |
|------------------------|-----------|

| | |
|---|------------------|
| Net position - Beginning of year | <u>2,457,172</u> |
|---|------------------|

| | |
|-----------------------------------|----------------------------|
| Net position - End of year | <u><u>\$ 2,330,853</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, 2017

Cash flows from operating activities

| | |
|---|---------------|
| Cash received from customers | \$ 570,691 |
| Cash received from grants and subsidies | 1,420,021 |
| Cash payments to suppliers for goods and services | (1,508,213) |
| Cash payments for wages and related benefits | (406,874) |
| Net cash provided by (used in) operating activities | <u>75,625</u> |

Cash flows from capital and related financing activities

| | |
|---|------------------|
| Capital grants | 159,132 |
| Acquisition of capital assets | (276,489) |
| Proceeds from sale of capital assets | 300 |
| Interest paid on debt | (31,980) |
| Principal paid on debt | (56,574) |
| Net cash provided by (used in) capital and related financing activities | <u>(205,611)</u> |

Cash flows from noncapital and related financing activities

| | |
|----------------|--------------|
| Fraud recovery | <u>1,660</u> |
|----------------|--------------|

Cash flows from investing activities

| | |
|--|--------------|
| Purchase of investments | (1,036) |
| Investment income | 3,296 |
| Net cash provided by (used in) investing activities | <u>2,260</u> |
| Net increase (decrease) in cash and cash equivalents | (126,066) |

Cash and cash equivalents - beginning of year

992,755

Cash and cash equivalents - end of year

\$ 866,689

Reconciliation of operating income (loss) to net cash provided by (used in) operating activities

| | |
|--|------------------|
| Operating income (loss) | \$ (258,727) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | |
| Depreciation | 267,918 |
| Changes in assets and liabilities | |
| Decrease (increase) in receivables | (11,979) |
| Decrease (increase) in prepaid expenses | 29,854 |
| Increase (decrease) in accounts payable | 37,501 |
| Increase (decrease) in accrued liabilities | 11,397 |
| Increase (decrease) in tenant security deposits | (1,122) |
| Increase (decrease) in unearned revenue | 783 |
| Net cash provided by (used in) operating activities | <u>\$ 75,625</u> |

Reconciliation of cash and cash equivalents per the Statement of Net Position to the Statement of Cash Flows

| | |
|--|-------------------|
| Cash and cash equivalents | \$ 736,101 |
| Cash and cash equivalents - restricted | 95,980 |
| Cash - tenant security deposits | 34,608 |
| Cash and cash equivalents - end of year | <u>\$ 866,689</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, 2017

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, 2017

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.

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

Traverse City Housing Commission

Notes to Financial Statements

For the Year Ended June 30, 2017

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 Housing Assistance Payments received from HUD in excess of payments made to landlords. For the current year this amounted to \$11,324. These excess funds can only be used for future payments to landlords. The remaining \$26,838 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, 2017

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 | \$ 736,101 |
| Cash and cash equivalents – restricted | 95,980 |
| Cash – tenant security deposits | 34,608 |
| Investments | <u>83,420</u> |
| Total | <u>\$ 950,109</u> |
| Notes to Financial Statements | |
| Cash on hand | \$ 250 |
| Demand deposits (checking) | 866,439 |
| Certificates of deposit | <u>83,420</u> |
| Total | <u>\$ 950,109</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, 2017

- 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, \$6,607 of the Housing Commission's bank balance of \$1,053,146 was exposed to custodial credit risk because it was uninsured and uncollateralized.

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, 2017

Accounts Receivable

The balance in accounts receivable was comprised of the following:

| | | |
|---------------------------------|----|---------------|
| Tenant receivables | \$ | 7,015 |
| Due from HUD | | 13,445 |
| Allowance for doubtful accounts | | (3,665) |
| Interest receivable | | 128 |
| Miscellaneous receivable | | <u>3,297</u> |
| Total receivables, net | \$ | <u>20,220</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 | 7,957,969 | 232,359 | (10,896) | 8,179,432 |
| Furniture, equipment and machinery – dwelling | 98,616 | 6,595 | (1,300) | 103,911 |
| Furniture, equipment and machinery – administration | <u>242,191</u> | <u>37,535</u> | <u>-</u> | <u>279,726</u> |
| Total capital assets being depreciated | 8,298,776 | 276,489 | (12,196) | 8,563,069 |
| Less accumulated depreciation | <u>(6,424,478)</u> | <u>(267,918)</u> | <u>12,196</u> | <u>(6,680,200)</u> |
| Net capital assets being depreciated | <u>1,874,298</u> | <u>8,571</u> | <u>-</u> | <u>1,882,869</u> |
| Total net capital assets | <u>\$ 2,171,963</u> | <u>\$ 8,571</u> | <u>\$ -</u> | <u>\$ 2,180,534</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 | \$ 467,507 | \$ - | \$ (30,089) | \$ 437,418 | \$ 31,612 |
| Lease / purchase agreement | 208,409 | - | (26,485) | 181,924 | 29,098 |
| Accrued compensated absences | <u>18,687</u> | <u>-</u> | <u>(4,026)</u> | <u>14,661</u> | <u>8,475</u> |
| Total | <u>\$ 694,603</u> | <u>\$ -</u> | <u>\$ (60,600)</u> | <u>\$ 634,003</u> | <u>\$ 69,185</u> |

Traverse City Housing Commission

Notes to Financial Statements

For the Year Ended June 30, 2017

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> |
|---------------------------------|-------------------|-------------------|
| 2018 | \$ 60,710 | \$ 29,143 |
| 2019 | 64,424 | 26,103 |
| 2020 | 67,600 | 22,900 |
| 2021 | 70,962 | 19,539 |
| 2022 | 74,490 | 16,010 |
| 2023-2027 | 242,540 | 39,201 |
| 2028 | 38,616 | 801 |
| | <u>\$ 619,342</u> | <u>\$ 153,697</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 2017 and 2016 was \$1,579,153 or 73% and \$1,583,778 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, 2017

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 \$19,404 and employees contributed \$17,986 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> |
|---------------------------|----------------------------|
| 2014 | \$ 52,554 |
| 2015 | 68,087 |
| 2016 | <u>38,491</u> |
| Total | <u>\$ 159,132</u> |

◆ ◆ ◆ ◆ ◆

Traverse City Housing Commission
Financial Data Schedule
Project Balance Sheet
June 30, 2017

| Line Item # | Account Description | Project MI080000001 |
|----------------|---|------------------------|
| 111 | Cash - Unrestricted | \$ 578,124 |
| 112 | Cash - Restricted - Modernization and Development | 26,841 |
| 114 | Cash - Tenant Security Deposits | 34,608 |
| 100 | Total Cash | <u>639,573</u> |
| 122 | Accounts Receivable - HUD Other Projects | 13,445 |
| 125 | Accounts Receivable - Miscellaneous | 3,297 |
| 126 | Accounts Receivable - Tenants | 7,015 |
| 126.1 | Allowance for Doubtful Accounts - Tenants | (3,665) |
| 129 | Accrued Interest Receivable | 128 |
| 120 | Total Receivables, Net of Allowances for Doubtful Accounts | <u>20,220</u> |
| 131 | Investments - Unrestricted | 83,420 |
| 142 | Prepaid Expenses and Other Assets | <u>1,231</u> |
| 150 | Total Current Assets | <u>744,444</u> |
| 161 | Land | 297,665 |
| 162 | Buildings | 8,179,432 |
| 163 | Furniture, Equipment & Machinery - Dwellings | 103,911 |
| 164 | Furniture, Equipment & Machinery - Administration | 273,669 |
| 166 | Accumulated Depreciation | (6,676,115) |
| 160 | Total Capital Assets, Net of Accumulated Depreciation | <u>2,178,562</u> |
| 180 | Total Non-Current Assets | <u>2,178,562</u> |
| 290 | Total Assets | <u>\$ 2,923,006</u> |
| 312 | Accounts Payable <= 90 Days | \$ 41,392 |
| 321 | Accrued Wage/Payroll Taxes Payable | 9,610 |
| 322 | Accrued Compensated Absences - Current Portion | 6,956 |
| 333 | Accounts Payable - Other Government | 24,365 |
| 341 | Tenant Security Deposits | 34,608 |
| 342 | Unearned Revenues | 7,126 |
| 343 | Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds | 60,710 |
| 346 | Accrued Liabilities - Other | 18,570 |
| 310 | Total Current Liabilities | <u>203,337</u> |
| 351 | Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | 558,632 |
| 354 | Accrued Compensated Absences - Non-Current | 5,149 |
| 350 | Total Non-Current Liabilities | <u>563,781</u> |
| 300 | Total Liabilities | <u>767,118</u> |
| 508.4 | Net Investment in Capital Assets | 1,559,220 |
| 511.4 | Restricted Net Position | 26,841 |
| 512.4 | Unrestricted Net Position | <u>569,827</u> |
| 513 | Total Equity - Net Assets / Position | <u>2,155,888</u> |
| 600 | Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position | <u>\$ 2,923,006</u> |

Traverse City Housing Commission
Financial Data Schedule
Project Income Statement
For the Year Ended June 30, 2017

| Line Item # | Account Description | Total Projects | Project MI080000001 | Operating Fund Program | Capital Fund Program |
|-------------|--|----------------|---------------------|------------------------|----------------------|
| 70300 | Net Tenant Rental Revenue | \$ 430,802 | \$ 430,802 | \$ 430,802 | \$ - |
| 70400 | Tenant Revenue - Other | 2,059 | 2,059 | 2,059 | - |
| 70500 | Total Tenant Revenue | 432,861 | 432,861 | 432,861 | - |
| 70600 | HUD PHA Operating Grants | 253,023 | 253,023 | 253,023 | - |
| 70610 | Capital Grants | 159,132 | 159,132 | - | 159,132 |
| 71100 | Investment Income - Unrestricted | 3,296 | 3,296 | 3,296 | - |
| 71500 | Other Revenue | 136,612 | 136,612 | 136,612 | - |
| 71600 | Gain or Loss on Sale of Capital Assets | 300 | 300 | 300 | - |
| 70000 | Total Revenue | 985,224 | 985,224 | 826,092 | 159,132 |
| 91100 | Administrative Salaries | 129,735 | 129,735 | 129,735 | - |
| 91200 | Auditing Fees | 4,060 | 4,060 | 4,060 | - |
| 91400 | Advertising and Marketing | 2,358 | 2,358 | 2,358 | - |
| 91500 | Employee Benefit Contributions - Administrative | 48,318 | 48,318 | 48,318 | - |
| 91600 | Office Expenses | 64,306 | 64,306 | 64,306 | - |
| 91700 | Legal Expense | 13,767 | 13,767 | 13,767 | - |
| 91800 | Travel | 8,070 | 8,070 | 8,070 | - |
| 91900 | Other | 6,549 | 6,549 | 6,549 | - |
| 91000 | Total Operating - Administrative | 277,163 | 277,163 | 277,163 | - |
| 92400 | Tenant Services - Other | 46,465 | 46,465 | 46,465 | - |
| 92500 | Total Tenant Services | 46,465 | 46,465 | 46,465 | - |
| 93100 | Water | 14,872 | 14,872 | 14,872 | - |
| 93200 | Electricity | 128,457 | 128,457 | 128,457 | - |
| 93300 | Gas | 15,100 | 15,100 | 15,100 | - |
| 93000 | Total Utilities | 158,429 | 158,429 | 158,429 | - |
| 94100 | Ordinary Maintenance and Operations - Labor | 93,120 | 93,120 | 93,120 | - |
| 94200 | Ordinary Maintenance and Operations - Materials and Other | 35,531 | 35,531 | 35,531 | - |
| 94300 | Ordinary Maintenance and Operations Contracts | 138,335 | 138,335 | 138,335 | - |
| 94500 | Employee Benefit Contributions - Ordinary Maintenance | 29,179 | 29,179 | 29,179 | - |
| 94000 | Total Maintenance | 296,165 | 296,165 | 296,165 | - |
| 96140 | All Other Insurance | 28,633 | 28,633 | 28,633 | - |
| 96100 | Total Insurance Premiums | 28,633 | 28,633 | 28,633 | - |
| 96300 | Payments in Lieu of Taxes | 24,365 | 24,365 | 24,365 | - |
| 96400 | Bad Debt - Tenant Rents | 7,468 | 7,468 | 7,468 | - |
| 96000 | Total Other General Expenses | 31,833 | 31,833 | 31,833 | - |
| 96710 | Interest on Mortgage (or Bonds) Payable | 22,465 | 22,465 | - | 22,465 |
| 96720 | Interest on Notes Payable (Short and Long Term) | 9,515 | 9,515 | 9,515 | - |
| 96700 | Total Interest Expense and Amortization Cost | 31,980 | 31,980 | 9,515 | 22,465 |
| 96900 | Total Operating Expenses | 870,668 | 870,668 | 848,203 | 22,465 |
| 97000 | Excess of Operating Revenue over Operating Expenses | 114,556 | 114,556 | (22,111) | 136,667 |
| 97100 | Extraordinary Maintenance | 4,545 | 4,545 | 4,545 | - |
| 97400 | Depreciation Expense | 267,293 | 267,293 | 267,293 | - |
| 90000 | Total Expenses | 1,142,506 | 1,142,506 | 1,120,041 | 22,465 |
| 10000 | Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | (157,282) | (157,282) | (293,949) | 136,667 |
| 11020 | Required Annual Debt Principal Payments | 56,574 | 56,574 | 26,485 | 30,089 |
| 11030 | Beginning Equity | 2,313,170 | 2,313,170 | 2,313,170 | - |
| 11190 | Unit Months Available | 1,620 | 1,620 | 1,620 | - |
| 11210 | Number of Unit Months Leased | 1,611 | 1,611 | 1,611 | - |
| 11270 | Excess Cash | 442,352 | 442,352 | 442,352 | - |
| 11620 | Building Purchases | 97,201 | 97,201 | - | 97,201 |
| 13510 | CFFP Debt Service Payments | 52,554 | 52,554 | - | 52,554 |

Traverse City Housing Commission
Financial Data Schedule
Program Financials - Balance Sheet
June 30, 2017

| Line Item # | Account Description | 14.871 Housing Choice Vouchers |
|------------------------|--|---|
| 111 | Cash - Unrestricted | \$ 157,977 |
| 113 | Cash - Other Restricted | 27,233 |
| 115 | Cash - Restricted for Payment of Current Liabilities | 41,906 |
| 100 | Total Cash | <u>227,116</u> |
| 150 | Total Current Assets | <u>227,116</u> |
| 164 | Furniture, Equipment & Machinery - Administration | 6,057 |
| 166 | Accumulated Depreciation | (4,085) |
| 160 | Total Capital Assets, Net of Accumulated Depreciation | <u>1,972</u> |
| 180 | Total Non-Current Assets | <u>1,972</u> |
| 290 | Total Assets | <u><u>\$ 229,088</u></u> |
| 312 | Accounts Payable <= 90 Days | \$ 6,210 |
| 321 | Accrued Wage/Payroll Taxes Payable | 3,451 |
| 322 | Accrued Compensated Absences - Current Portion | 1,519 |
| 345 | Other Current Liabilities | 41,906 |
| 310 | Total Current Liabilities | <u>53,086</u> |
| 354 | Accrued Compensated Absences - Non Current | 1,037 |
| 350 | Total Non-Current Liabilities | <u>1,037</u> |
| 300 | Total Liabilities | <u>54,123</u> |
| 508.4 | Net Investment in Capital Assets | 1,972 |
| 511.4 | Restricted Net Position | 27,233 |
| 512.4 | Unrestricted Net Position | <u>145,760</u> |
| 513 | Total Equity - Net Assets / Position | <u>174,965</u> |
| 600 | Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position | <u><u>\$ 229,088</u></u> |

Traverse City Housing Commission
Financial Data Schedule
Program Financials - Income Statement
For the Year Ended June 30, 2017

| Line Item # | Account Description | 14.871 Housing Choice Vouchers |
|------------------------|--|---|
| 70600 | HUD PHA Operating Grants | \$ 1,166,998 |
| 71400 | Fraud Recovery | 1,660 |
| 71500 | Other Revenue | 13,536 |
| 70000 | Total Revenue | 1,182,194 |
| 91100 | Administrative Salaries | 90,660 |
| 91200 | Auditing Fees | 1,740 |
| 91400 | Advertising and Marketing | 45 |
| 91500 | Employee Benefit Contributions - Administrative | 27,259 |
| 91600 | Office Expenses | 29,426 |
| 91700 | Legal Expenses | 1,402 |
| 91800 | Travel | 3,020 |
| 91900 | Other | 8,129 |
| 91000 | Total Operating - Administrative | 161,681 |
| 96900 | Total Operating Expenses | 161,681 |
| 97000 | Excess of Operating Revenue over Operating Expenses | 1,020,513 |
| 97300 | Housing Assistance Payments | 988,925 |
| 97400 | Depreciation Expense | 625 |
| 90000 | Total Expenses | 1,151,231 |
| 10000 | Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | 30,963 |
| 11030 | Beginning Equity | 144,002 |
| 11170 | Administrative Fee Equity | 147,732 |
| 11180 | Housing Assistance Payments Equity | 27,233 |
| 11190 | Unit Months Available | 2,064 |
| 11210 | Number of Unit Months Leased | 1,966 |

Traverse City Housing Commission
Financial Data Schedule
PHA Financial Data - Balance Sheet
June 30, 2017

| Line Item # | Account Description | Project Totals | Program Totals | Subtotal | Total |
|----------------|---|-------------------|-------------------|--------------|--------------|
| 111 | Cash - Unrestricted | \$ 578,124 | \$ 157,977 | \$ 736,101 | \$ 736,101 |
| 112 | Cash - Restricted - Modernization and Development | 26,841 | - | 26,841 | 26,841 |
| 113 | Cash - Other Restricted | - | 27,233 | 27,233 | 27,233 |
| 114 | Cash - Tenant Security Deposits | 34,608 | - | 34,608 | 34,608 |
| 115 | Cash - Restricted for Payment of Current Liabilities | - | 41,906 | 41,906 | 41,906 |
| 100 | Total Cash | 639,573 | 227,116 | 866,689 | 866,689 |
| 122 | Accounts Receivable - HUD Other Projects | 13,445 | - | 13,445 | 13,445 |
| 125 | Accounts Receivable - Miscellaneous | 3,297 | - | 3,297 | 3,297 |
| 126 | Accounts Receivable - Tenants | 7,015 | - | 7,015 | 7,015 |
| 126.1 | Allowance for Doubtful Accounts - Tenants | (3,665) | - | (3,665) | (3,665) |
| 129 | Accrued Interest Receivable | 128 | - | 128 | 128 |
| 120 | Total Receivables, Net of Allowances for Doubtful Accounts | 20,220 | - | 20,220 | 20,220 |
| 131 | Investments - Unrestricted | 83,420 | - | 83,420 | 83,420 |
| 142 | Prepaid Expenses and Other Assets | 1,231 | - | 1,231 | 1,231 |
| 150 | Total Current Assets | 744,444 | 227,116 | 971,560 | 971,560 |
| 161 | Land | 297,665 | - | 297,665 | 297,665 |
| 162 | Buildings | 8,179,432 | - | 8,179,432 | 8,179,432 |
| 163 | Furniture, Equipment & Machinery - Dwellings | 103,911 | - | 103,911 | 103,911 |
| 164 | Furniture, Equipment & Machinery - Administration | 273,669 | 6,057 | 279,726 | 279,726 |
| 166 | Accumulated Depreciation | (6,676,115) | (4,085) | (6,680,200) | (6,680,200) |
| 160 | Total Capital Assets, Net of Accumulated Depreciation | 2,178,562 | 1,972 | 2,180,534 | 2,180,534 |
| 180 | Total Non-Current Assets | 2,178,562 | 1,972 | 2,180,534 | 2,180,534 |
| 290 | Total Assets | \$ 2,923,006 | \$ 229,088 | \$ 3,152,094 | \$ 3,152,094 |
| 312 | Accounts Payable <= 90 Days | \$ 41,392 | \$ 6,210 | \$ 47,602 | \$ 47,602 |
| 321 | Accrued Wage/Payroll Taxes Payable | 9,610 | 3,451 | 13,061 | 13,061 |
| 322 | Accrued Compensated Absences - Current Portion | 6,956 | 1,519 | 8,475 | 8,475 |
| 333 | Accounts Payable - Other Government | 24,365 | - | 24,365 | 24,365 |
| 341 | Tenant Security Deposits | 34,608 | - | 34,608 | 34,608 |
| 342 | Unearned Revenues | 7,126 | - | 7,126 | 7,126 |
| 343 | Current Portion of Long-term Debt - Capital Projects/ Mortgage Revenue Bonds | 60,710 | - | 60,710 | 60,710 |
| 345 | Other Current Liabilities | - | 41,906 | 41,906 | 41,906 |
| 346 | Accrued Liabilities - Other | 18,570 | - | 18,570 | 18,570 |
| 310 | Total Current Liabilities | 203,337 | 53,086 | 256,423 | 256,423 |
| 351 | Long-term Debt, Net of Current - Capital Projects/ Mortgage Revenue Bonds | 558,632 | - | 558,632 | 558,632 |
| 354 | Accrued Compensated Absences - Non-Current | 5,149 | 1,037 | 6,186 | 6,186 |
| 350 | Total Non-Current Liabilities | 563,781 | 1,037 | 564,818 | 564,818 |
| 300 | Total Liabilities | 767,118 | 54,123 | 821,241 | 821,241 |
| 508.4 | Net Investment in Capital Assets | 1,559,220 | 1,972 | 1,561,192 | 1,561,192 |
| 511.4 | Restricted Net Position | 26,841 | 27,233 | 54,074 | 54,074 |
| 512.4 | Unrestricted Net Position | 569,827 | 145,760 | 715,587 | 715,587 |
| 513 | Total Equity - Net Assets / Position | 2,155,888 | 174,965 | 2,330,853 | 2,330,853 |
| 600 | Total Liab., Def. Inflow of Res., and Equity - Net Assets / Positior | \$ 2,923,006 | \$ 229,088 | \$ 3,152,094 | \$ 3,152,094 |

Traverse City Housing Commission
Financial Data Schedule
PHA Financial Data - Income Statement
For the Year Ended June 30, 2017

| Line Item # | Account Description | Project Totals | Program Totals | Subtotal | Total |
|-------------|---|----------------|----------------|------------|------------|
| 70300 | Net Tenant Rental Revenue | \$ 430,802 | \$ - | \$ 430,802 | \$ 430,802 |
| 70400 | Tenant Revenue - Other | 2,059 | - | 2,059 | 2,059 |
| 70500 | Total Tenant Revenue | 432,861 | - | 432,861 | 432,861 |
| 70600 | HUD PHA Operating Grants | 253,023 | 1,166,998 | 1,420,021 | 1,420,021 |
| 70610 | Capital Grants | 159,132 | - | 159,132 | 159,132 |
| 71100 | Investment Income - Unrestricted | 3,296 | - | 3,296 | 3,296 |
| 71400 | Fraud Recovery | - | 1,660 | 1,660 | 1,660 |
| 71500 | Other Revenue | 136,612 | 13,536 | 150,148 | 150,148 |
| 71600 | Gain or Loss on Sale of Capital Assets | 300 | - | 300 | 300 |
| 70000 | Total Revenue | 985,224 | 1,182,194 | 2,167,418 | 2,167,418 |
| 91100 | Administrative Salaries | 129,735 | 90,660 | 220,395 | 220,395 |
| 91200 | Auditing Fees | 4,060 | 1,740 | 5,800 | 5,800 |
| 91400 | Advertising and Marketing | 2,358 | 45 | 2,403 | 2,403 |
| 91500 | Employee Benefit Contributions - Administrative | 48,318 | 27,259 | 75,577 | 75,577 |
| 91600 | Office Expenses | 64,306 | 29,426 | 93,732 | 93,732 |
| 91700 | Legal Expense | 13,767 | 1,402 | 15,169 | 15,169 |
| 91800 | Travel | 8,070 | 3,020 | 11,090 | 11,090 |
| 91900 | Other | 6,549 | 8,129 | 14,678 | 14,678 |
| 91000 | Total Operating - Administrative | 277,163 | 161,681 | 438,844 | 438,844 |
| 92400 | Tenant Services - Other | 46,465 | - | 46,465 | 46,465 |
| 92500 | Total Tenant Services | 46,465 | - | 46,465 | 46,465 |
| 93100 | Water | 14,872 | - | 14,872 | 14,872 |
| 93200 | Electricity | 128,457 | - | 128,457 | 128,457 |
| 93300 | Gas | 15,100 | - | 15,100 | 15,100 |
| 93000 | Total Utilities | 158,429 | - | 158,429 | 158,429 |
| 94100 | Ordinary Maintenance and Operations - Labor | 93,120 | - | 93,120 | 93,120 |
| 94200 | Ordinary Maintenance and Operations - Materials and Other | 35,531 | - | 35,531 | 35,531 |
| 94300 | Ordinary Maintenance and Operations Contracts | 138,335 | - | 138,335 | 138,335 |
| 94500 | Employee Benefit Contributions - Ordinary Maintenance | 29,179 | - | 29,179 | 29,179 |
| 94000 | Total Maintenance | 296,165 | - | 296,165 | 296,165 |
| 96140 | All Other Insurance | 28,633 | - | 28,633 | 28,633 |
| 96100 | Total Insurance Premiums | 28,633 | - | 28,633 | 28,633 |
| 96300 | Payments in Lieu of Taxes | 24,365 | - | 24,365 | 24,365 |
| 96400 | Bad Debt - Tenant Rents | 7,468 | - | 7,468 | 7,468 |
| 96000 | Total Other General Expenses | 31,833 | - | 31,833 | 31,833 |

Traverse City Housing Commission
Financial Data Schedule
PHA Financial Data - Income Statement
For the Year Ended June 30, 2017

| Line Item # | Account Description | Project Totals | Program Totals | Subtotal | Total |
|------------------------|--|---------------------------|---------------------------|-----------------|--------------|
| 96710 | Interest on Mortgage (or Bonds) Payable | \$ 22,465 | \$ - | \$ 22,465 | \$ 22,465 |
| 96720 | Interest on Notes Payable (Short and Long Term) | 9,515 | - | 9,515 | 9,515 |
| 96700 | Total Interest Expense and Amortization Cost | 31,980 | - | 31,980 | 31,980 |
| 96900 | Total Operating Expenses | 870,668 | 161,681 | 1,032,349 | 1,032,349 |
| 97000 | Excess of Operating Revenue over Operating Expenses | 114,556 | 1,020,513 | 1,135,069 | 1,135,069 |
| 97100 | Extraordinary Maintenance | 4,545 | - | 4,545 | 4,545 |
| 97300 | Housing Assistance Payments | - | 988,925 | 988,925 | 988,925 |
| 97400 | Depreciation Expense | 267,293 | 625 | 267,918 | 267,918 |
| 90000 | Total Expenses | 1,142,506 | 1,151,231 | 2,293,737 | 2,293,737 |
| 10000 | Excess (Deficiency) of Total Revenue Over (Under) Total Expenses | (157,282) | 30,963 | (126,319) | (126,319) |
| 11020 | Required Annual Debt Principal Payments | 56,574 | - | 56,574 | 56,574 |
| 11030 | Beginning Equity | 2,313,170 | 144,002 | 2,457,172 | 2,457,172 |
| 11170 | Administrative Fee Equity | - | 147,732 | 147,732 | 147,732 |
| 11180 | Housing Assistance Payments Equity | - | 27,233 | 27,233 | 27,233 |
| 11190 | Unit Months Available | 1,620 | 2,064 | 3,684 | 3,684 |
| 11210 | Number of Unit Months Leased | 1,611 | 1,966 | 3,577 | 3,577 |
| 11270 | Excess Cash | 442,352 | - | 442,352 | 442,352 |
| 11620 | Building Purchases | 97,201 | - | 97,201 | 97,201 |
| 13510 | CFFP Debt Service Payments | 52,554 | - | 52,554 | 52,554 |



SMITH & KLACZKIEWICZ, PC
CERTIFIED PUBLIC ACCOUNTANTS

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(989) 751-1167

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(989) 751-3064

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, 2017, 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 30, 2017.

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 + Klayhewig PC

Saginaw, Michigan

November 30, 2017



SMITH & KLACZKIEWICZ, PC
CERTIFIED PUBLIC ACCOUNTANTS

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(989) 751-1167

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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, 2017. 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, 2017.

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 + Kaczmarek PC

Saginaw, Michigan

November 30, 2017

Traverse City Housing Commission
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

| Federal Agency / Pass Through Agency / Program Title | Federal CFDA Number | Amount Expended |
|---|------------------------------------|----------------------------|
| Department of Housing and Urban Development | | |
| Direct programs: | | |
| Public and Indian Housing | 14.850 | \$ 253,023 |
| Section 8 Housing Choice Vouchers | 14.871 | 1,083,639 |
| Section 8 Housing Choice Vouchers - Family Self Sufficiency | 14.871 | 66,967 |
| Total Section 8 Housing Choice Vouchers | | <u>1,150,606</u> |
| Public Housing Capital Fund | 14.872 | 159,132 |
| Total Department of Housing and Urban Development | | <u>\$ 1,562,761</u> |
| Reconciliation to Statement of Activities | | |
| Federal revenue reported on the Statement of Activities: | | |
| Program grants - subsidies | | \$ 1,420,021 |
| Capital grants | | 159,132 |
| Change in equity | | <u>(16,392)</u> |
| Total expenditures per Schedule of Expenditures of Federal Awards | | <u>\$ 1,562,761</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, 2017

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, 2017. 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.

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, 2017

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, 2017

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

TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: February 23, 2018
TO: All Commissioners of the Traverse City Housing Commission
FROM: Tony Lentych, Executive Director 
SUBJECT: TCHC Vehicle Policy

MESSAGE:

Attached you will find a draft Vehicle Policy. This policy has not been reviewed in some time but our insurance carrier has recently made an operational recommendation that we can implement in this policy. Additionally, there have been some minor adjustments and updates to the policy overall that bring the policy into alignment with our current reality.

TCHC staff, therefore, recommends adoption of the following:

RESOLUTION TO ADOPT THE VEHICLE POLICY

February 23, 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 providing guidance on the how vehicles owned or rented by TCHC, or how employee's personal vehicles are used in furtherance of TCHC business is prudent; and

WHEREAS, the Commission wishes to adopt the Vehicle Policy that reflects the current operations of TCHC and the best practice recommendations of our insurance carrier; and

WHEREAS, the Governance Committee has discussed the purpose of, and the need for, said Vehicle Policy and recommends its adoption; and

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

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

The Vehicle Policy is hereby adopted as presented by the Traverse City Housing Commission with immediate effect pending final legal review.

Traverse City Housing Commission

Draft Vehicle Policy

1. **Purpose.** The intent of this policy is to establish the expectations and regulations of employees who use vehicles owned by the Traverse City Housing Commission (TCHC) or utilize their own vehicles for conducting TCHC business.
2. **Policy and Procedures.** The following are the policies and procedures for both personal vehicles and vehicles owned by TCHC.
 - A. For vehicles owned or rented by TCHC:
 - 1) **Authority to Assign TCHC Vehicles.** The Executive Director has the authority to assign vehicles. Vehicles will be assigned on the basis of functional requirements of the employee's position and shall not be construed as being a substitute for other compensation or as a fringe benefit. Vehicles are assigned and certain privileges in their use granted only as a means of providing effective management of Housing Commission functions.
 - 2) **Special Use Assignment of TCHC Vehicles.** Employees may be assigned a vehicle to take home when their duties and responsibilities require emergency use or routine and regular conduct of Housing Commission business before and after normal working hours, when it is to the convenience and cost of the Housing Commission to assign a vehicle.
 - 3) **Commuting.** Traverse City Housing Commission vehicles shall not be taken home overnight except as follows:
 - a) Employees may take a Housing Commission-owned vehicle home for one night when attendance to an out-of-town meeting takes place late at night after normal working hours or early in the morning prior to normal working hours.
 - b) Those employees designated by the Executive Director to be "on 24-hour call" for department emergencies.
 - c) For more than one night when specifically authorized by the Executive Director.
 - B. For vehicles owned or rented by TCHC AND for vehicles owned or rented by TCHC Employees that are utilized TCHC business or travel:

NOTE: The use of a Housing Commission vehicle for personal use, other than the commuting to and from work and incidental personal business (including the transport of passengers) when en-route between the work site and home, is prohibited.

- 1) **Mileage Log.** Employees will be required to maintain a written mileage log that substantiates all vehicle (TCHC or personal) mileage and use. The log will be totaled on a monthly basis to determine charges to specific programs.
- 2) **Valid Driver's License Required.** Employees who have access to Housing Commission-owned vehicles or who operate their own vehicles when conducting TCHC business must possess a valid driver's license and must adhere to local and State laws in operation of vehicles. A copy of the license shall be kept in the employee's personnel file. It is the employee's responsibility to submit a copy of the license each time license is renewed.

In accordance with a Michigan Secretary of State pamphlet (March 2017), Your Michigan Chauffeur License, a chauffeur license is required if you operate a motor vehicle as a carrier of passengers. Employees of local units of government who do not drive their own vehicles and whose work consists of hauling supplies for municipal purposes are exempt.

3. **Driving Record Review.** TCHC participates in the State of Michigan Bureau of Driver and Vehicle Records' Driving Record Subscription Service. All employees of TCHC will participate in this program and all changes to an employee's driving record will be automatically sent to the TCHC administrative office. Each employee must notify TCHC's Executive Director of any issues that may affect an employee's driving record in advance of the State's notification. Failure to do so may result in consequences up to and including disciplinary action and/or termination.

Adopted: August 2006


Revised: February 2011

Proposed: February 23, 2018

TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: February 23, 2018
TO: All Commissioners of the Traverse City Housing Commission
FROM: Tony Lentych, Executive Director 
SUBJECT: Incentive-Based Compensation Plan & Salary Range Information

MESSAGE:

This memorandum intends to cover two areas of recent discussions regarding efforts to address staff salaries and overall compensation.

First, an Incentive-Based Compensation Plan has been discussed several times by TCHC since the fall of 2015. In the last several months, staff has worked with the Commission and its Governance Committee on developing some indicators under the four established areas of measurement. During the January Governance Committee Meeting, staff was instructed to evaluate its performance over the last calendar year and to make a recommendation on a suggested "Total Target Payout" that is based upon the results of this self-evaluation. Below are the self-scores as deliberated by staff followed by the payout recommendation:

FINANCIAL STABILITY (20/25)

- Annual Audit Reflects Financial Soundness
- Monthly Reports to Commission
- REAC Score/Annual Inspection

PROPERTY MANAGEMENT (22.5/25.0)

- Occupancy Rates
- Tenant Files are appropriately maintained
- Tenant Satisfaction

ORGANIZATIONAL INNOVATION (18.5/25.0)

- Office Management and Innovation
- Staff Satisfaction
- PHAS Score

STRATEGIC PLAN ACCOMPLISHMENTS (12.5/25.0)

- Attentiveness to Goals
- Annual Work Plan

TOTAL SCORE = 73.5

According to previously reviewed documents, this self-score of 73.5 would qualify for ***Moderate-to-Good Achievement of Goals:***

- **80 – 100:** *Good-to-Great Achievement of Goals* = approximately \$7,500.00 to \$10,000.00
- **50 – 79:** *Moderate-to-Good Achievement of Goals* = approximately \$3,000.00 to \$7,000.00
- **0 – 49:** *No/Zero-to-Moderate Achievement of Goals* = approximately \$0.00 to \$2,500.00

Due to budget projections for the remainder of this fiscal year, staff is comfortable recommending a \$4,000.00 Total Target Payout with the following percentages that are based upon everyone's contribution to the achievement of goals and reflective of each staff person's position within the organization:

| Position or Title | % of Payout | Payout Amount |
|----------------------|----------------|-------------------|
| ED | 35.00% | \$1,400.00 |
| DD | 20.00% | \$800.00 |
| PM | 15.00% | \$600.00 |
| M1 | 10.00% | \$400.00 |
| M2 | 10.00% | \$400.00 |
| FD/I | 10.00% | \$400.00 |
| | 100.00% | \$4,000.00 |

Should the Commission approve this recommendation, the Total Target Payout can be completed before the end of the month. This can be accomplished with a simple motion from the Commission.

Next, it should be noted that it is now time for TCHC staff to conduct Market Comparability Analysis for Staff Salaries. As discussed at its August 25, 2017 regular Commission meeting, TCHC approved the procedures to establish salary ranges for all staff positions. This included instructing staff to conduct a Market Comparability Analysis to assist in this process. As staff heads down the path of data collection, there were additional steps that were the sole responsibility of the Commission itself. The first step, in fact, or "Step One" from the original document distributed that the August 2017 meeting is one of those additional steps.

"Step One" of this process was for TCHC to establish a "philosophy" for the salary range itself. This is the way for TCHC to position the all of the staff salary ranges relative to the overall local market in which it competes for talent.

At the February 2018 Governance Committee meeting, there was significant discussion on the creation of this philosophy. The following statement was drafted in collaboration and reflects all of the issues that were discussed at the meeting:

Philosophy or Goal

It is the intent of the Traverse City Housing Commission to establish a salary range for each staff position (that will be reflected in each position description) that is no less than 5% below, but no more than 15% above, the market analysis median. Due to potential budgetary restrictions at the federal level, it is anticipated that an employee's base pay rate within the range will be fairly static. This will be managed in conjunction with the annual Incentive Compensation plan, which may vary more significantly as circumstances warrant.

Should the Commission approve this statement of goal or some variation of such, staff will be able to collect the data and publish all of the salary ranges for each staff position. Acceptance or approval of this statement of goal can be accomplished by a simple motion from the Commission.

ATTACHMENT: August 25, 2017 Memorandum

TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: August 25, 2017
TO: All Commissioners of the Traverse City Housing Commission
FROM: Kay Serratelli, Commissioner, and Tony Lentych, Executive Director
SUBJECT: Procedures to Establish TCHC Salary Ranges

COPY

MESSAGE:

This memorandum establishes the proposed steps for conducting Market Comparability Analysis for Salaries of TCHC Staff, as outlined in the new Personnel Policy. It is the goal of staff to conduct the necessary research to establish the salary ranges before the end of this calendar year. In this document, the TCHC Commissioner responsibilities are highlighted in "yellow".

STEP ONE: Establish the Philosophy.

Commissioners to determine overall philosophical goal of positioning TCHC salary ranges relative to overall market:

- At or Above or Below Market Median? If so, how much, and why?
- Could be 'Above' Market Median by some amount, when compared to similar departments and organizations. This is due to a desire for robust programs and activities in TCHC, done in a high cost area which requires extra effort to attract and retain quality talent.
- Need flexibility to address "big city problems in a small town."

STEP TWO: Establish List of Market Comparators.

Determine the list of Market Comparators to be sought for the two Job markets:

- Local Market jobs (all staff, including ED)
- Executive Director (above list, plus expansion to appropriate comparators in region/nation?)
- Determine if there are already existing comparability studies in the area which could be utilized.

Determine desired mix of comparators:

- Other PHA's of similar size and composition (Public Housing, HCV, etc.), in relatively close geographical proximity.

- Other Government Entities in greater TC local market area
- Private Employers as appropriate/possible? (Munson, etc.)
- Specifically, for Executive Director position: Set criteria for comparison (size and composition of PHA; geographical area to be considered;
- Type of community to compare (e.g., resort areas)

LOCAL MARKET – All staff jobs including Executive Director. From a list similar to this, we would extract data:

Comparable PHA's in Michigan:

1. Cadillac, MI PHA
2. Marquette, MI PHA
3. S. St. Marie, MI PHA
4. Muskegon, MI PHA
5. Manistee, MI PHA

Comparable staff positions within:

1. City of Traverse City
2. Grand Traverse County
3. T.C. Downtown Development Authority
4. Commission on Aging – GT County (ED Only)
5. Commission on Aging – Leelanau County (ED Only)

EXPANDED MARKET – Extra Comparators specific to Executive Director position only.

To be Determined: This step to be done as necessary, but could include peer Cities on a National or Regional Basis, such as Resort Communities (Example: Door County, WI).

TCHC Board to approve the final list of Market Comparables prior to the research commencing.

STEP THREE: Prepare Job Summaries.

Using existing Job Descriptions, prepare a short (2-3 sentence) summary of each position to be covered in the Market Study. The Point of this exercise is to ensure, to greatest degree possible, that the study captures data on Job Match/Duties, not simply Job Title.

STEP FOUR: Develop Survey Instrument.

Develop a Survey instrument outlining information and data being sought, and Including Job Summaries (above).

Final version of Survey Instrument should be reviewed/approved either by full TCHC Board or an Ad Hoc Committee.

STEP FIVE: Data Collection

Using a consistent Survey instrument, contact each desired Market Comparator to solicit desired data. Document their contact information (name, organization, etc.). Assure that their participation includes our reciprocity, by sharing complete survey results with participants.

Publicly-available information from HUD database may also be used.

STEP SIX: Data Analysis

The following steps will be taken to analyze the data collected:

1. Calculate averages of survey responses (the base pay reported for each position).
2. Eliminate any 'outside high' or 'outside low' as needed. Assuming that job duties match appropriately, the resulting Market Averages would serve as the Market Midpoint for each position.
3. Compare results of this step (Average Salary of Market Midpoint) with priorities established in Step One, the desired position within the Market for TCHC:
 - If desire to be consistent with Market Median:
 - ✓ Set the mathematical average salaries from study as Market Midpoint, with a 95%-105% range.
 - If desire to be higher than Market Median:
 - ✓ Increase the Market Median by desired amount (ex., 10%), to the Desired Market Midpoint for TCHC. Then take 95%-105% range.

STEP SEVEN: Publish Results and Seek Approval

Commissioners should discuss and approve a resolution after reviewing the data that establishes the resulting Salary Ranges. The Executive Director would then administer the staff salaries within the range as outlined in Personnel Policy and at a time deemed appropriate by the Executive Director (e.g., annual employee reviews). Commissioners would administer the Executive Director's salary as appropriate.

STEP EIGHT: Follow-up

Repeat above process as necessary but the goal will be to conduct the research approximately every three (3) years. With appropriate rationale, the research can be conducted either earlier or later than three (3) years as may be deemed necessary by TCHC Commissioners.

OTHER NOTES:

1. Newly-hired staff may be exempt from this process of TCHC Salary Ranges at time of hire, if so dictated by grant funding; but will be integrated into this system at the appropriate time.
2. The Market Survey / Comparables exercise for the Executive Director position should be done in conjunction with the contract negotiations and execution.

TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: February 23, 2018
TO: All Commissioners of the Traverse City Housing Commission
FROM: Tony Lentych, Executive Director
SUBJECT: East Bay Flats Property Purchase

MESSAGE:

As we discussed earlier this month in closed session, in order to deliver true affordable housing, meaning housing that can remain affordable to residents during the life time of the project, all costs must be either subsidized or controlled. This includes the need to address the potentially large dollar amount that could be paid for property taxes on this project during the life time of any financial commitment made by either TCHC or any of its partners, including any and all financial institutions. This would normally be mitigated by a Payment in Lieu of Taxes or PILOT that would be granted to this project by the City of Traverse City.

The legal question for the City, however, is the manner in which this project qualifies for a PILOT as outlined in state statute. By themselves, Housing Commissions are not eligible to receive a PILOT like other legal entities – under the MSDHA statute – unless the project itself receive MSHDA or HUD monies. For a variety of reasons, our project is not receiving funding from either of these sources.

Housing Commissions are charged service fees under their authorizing language in Public Act 18 Section 125.661a regardless of whether there is HUD or MSHDA monies in the deal. This may require TCHC to be in an ownership position of this project in order to qualify for any kind of property tax exemption or abatement.

In order to move this project, any Commissioner should offer the following motion:

"I move that TCHC President, Andy Smits, and TCHC Executive Director, Anthony Lentych, are authorized to negotiate, on behalf of the Traverse City Housing Commission, a real estate purchase agreement or other legal agreement for the purchase of certain real property located in the City of Traverse City known as East Bay Flats in such a manner that qualifies for tax exemption or tax abatement such as an annual service fee in lieu of all taxes as described in MCLA 125.661a. Any such agreement shall be subject to the approval of the TCHC Board at either a Regular Meeting or at a Special Meeting called with the expressed purpose of considering the approval of any such agreement."

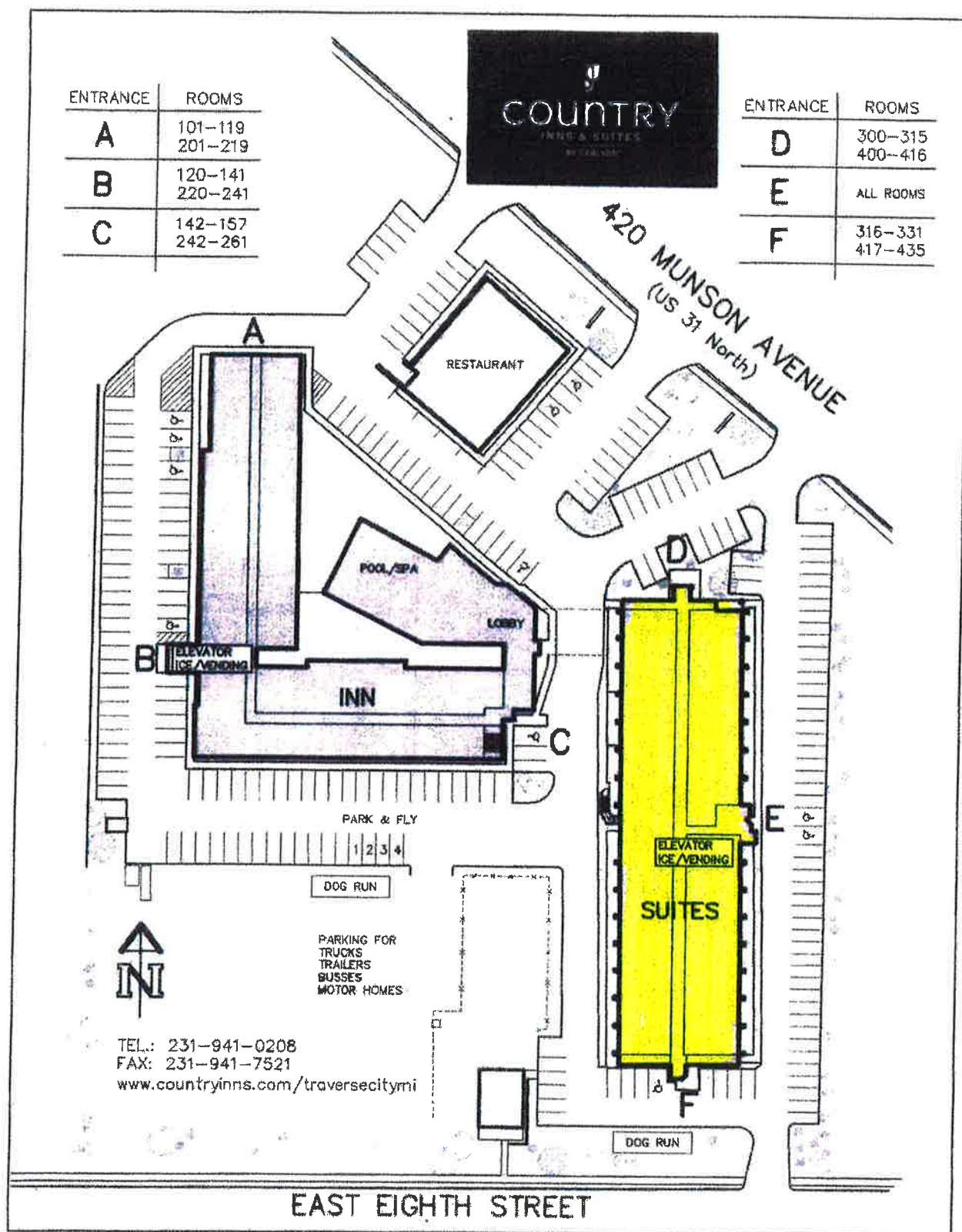
Please note that this motion was reviewed by TCHC attorney, Ward Kuhn, and he believes that it addresses our legal needs at this point.

ATTACHEMENT: Project Location

| ENTRANCE | ROOMS |
|----------|--------------------|
| A | 101-119 201-219 |
| B | 120-141 220-241 |
| C | 142-157 242-261 |



| ENTRANCE | ROOMS |
|----------|--------------------|
| D | 300-315 400-416 |
| E | ALL ROOMS |
| F | 316-331 417-435 |



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TRAVERSE CITY HOUSING COMMISSION

150 PINE STREET | TRAVERSE CITY | MICHIGAN | 49684

MEMORANDUM

DATE: February 23, 2018

TO: All Commissioners of the Traverse City Housing Commission

FROM: Tony Lentych, Executive Director 

SUBJECT: Employment Contract for Executive Director

MESSAGE:

During a conversation at the February 5, 2018 Executive Committee meeting, I was instructed to produce a memorandum that outlines my expectations as we enter into a period of contract negotiations. I have attached my previous contract that was that was accepted by me on February 10, 2015. My first day of employment at TCHC was on March 9, 2015 and it is noted in Section 1 that the contract expires on March 9, 2018.

It should also be noted that we are not technically in compliance with Section Seven (7) of this contract. This was a simple oversight on my part. After reviewing previous discussions with the Executive Committee, it is important to note that I do not interpret this lack of compliance as anything other than a simple oversight of the calendar. With that fact in mind, I am expecting TCHC to negotiate with me in good faith to continue my employment at TCHC as its Executive Director. Now would be the time to correct me if I am wrong.

The following are my only expectations as we enter into this negotiation process:

1. Having an employment contract is not a significant need for me but I understand that it may be a significant issue for TCHC. That said, I am willing to accept an employment contract should one be offered. My only condition is that the length of time for said contract will be tied to the months of severance mentioned in Section Five (5), Item B. [Example: another three-year employment contract will require a three-month severance package but a four-year employment contract will require a four-month severance package, and so forth].
2. For a number of reasons, I do not believe it is prudent for TCHC to offer me additional salary compensation at this time. I accept the fact, that I am paid at the highest end of the salary range for my position [see the attached job description] and it is my recommendation that this salary range remain the same.
3. After conversation with the Executive Committee, I am formally requesting a "Technology Allowance" as a condition of continued employment regardless of an employment contract being in place. My initial thoughts on the amount of this allowance would be the equivalent of \$100.00 per month but payable at the beginning

of any employment year. This amount would serve as reimbursement for fees that I may incur for cell phone usage and/or a computer purchase.

4. Finally, it is my expectation that any and all negotiations and decisions that need to be conducted in order for me to continue my employment be concluded in time so that the entire Commission can accept at the Regular Commission meeting on March 23, 2018.

I have enjoyed my time with the Traverse City Housing Commission and, if possible, I would like to continue my employment here.

ATTACHEMENT: Previous Contract
Job Description

EMPLOYMENT AGREEMENT FOR EXECUTIVE DIRECTOR OF TRAVERSE CITY HOUSING COMMISSION

THIS AGREEMENT is made this 10th day of February 2015 by and between the Traverse City Housing Commission ("TCHC") of 150 Pine Street, Traverse City, Michigan 49684 and Anthony Lentych ("EXECUTIVE DIRECTOR"), of 718 Highland Park Drive, Traverse City, Michigan 49686.

WHEREAS, TCHC wishes to retain the services of EXECUTIVE DIRECTOR of TCHC, and he wishes to be so employed;

NOW THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by the parties as follows:

1. TCHC hereby retains and employs EXECUTIVE DIRECTOR to be its Executive Director for a term of three (3) years commencing with the 9th day of March, 2015 through the 9th of March 2018. It is further agreed that this Agreement may be extended for an additional term(s) as mutually agreed by the parties.

2. EXECUTIVE DIRECTOR hereby accepts said employment and agrees that for the consideration set forth herein he shall perform the duties of the Executive Director and conduct the business of TCHC in accordance with all applicable laws, regulations and administrative rules, and as further directed by TCHC.

3. TCHC shall pay EXECUTIVE DIRECTOR an annual salary of Eighty- five Thousand Dollars (\$85,000), to be paid in the same manner and intervals as regular full-time management employees of TCHC.

EXECUTIVE DIRECTOR shall be eligible for a performance based incentive bonus program. The details of this bonus program shall be developed and mutually agreed upon between EXECUTIVE DIRECTOR and the TCHC within ninety (90) days from the effective date of this contract.

All other terms of compensation remain the same as stated above.

4. EXECUTIVE DIRECTOR shall perform the duties and exercise the power, rights and authority of the Executive Director as outlined in Exhibit "A", Job Description of the Executive Director. The TCHC realizes that said Job Description is out-of-date and commits to work with the EXECUTIVE DIRECTOR to have said job description updated within ninety (90) days from the effective date of this agreement.

During the term of this agreement the TCHC may from time to time, by resolution, alter the description of the Executive Director's responsibilities, provided that such alterations shall not be effective until a copy of such resolution shall be delivered to the Executive Director.

5. Either party has the right to terminate the employment relationship at any time and in the sole discretion of the party terminating the relationship, subject to the following provisions:

- a. In the event EXECUTIVE DIRECTOR resigns from the position, forty-five (45) days advance notice shall be given to TCHC.
- b. In the event TCHC terminates the services of EXECUTIVE DIRECTOR, he shall be given the equivalent of 60 calendar days' severance pay. In addition, TCHC shall pay for 60 days health, optical and dental premiums for policies in effect at the time of separation. All unused vacation and personal time will be paid to EXECUTIVE DIRECTOR upon separation. This is intended as a "buy out" or liquidated compensation for TCHC'S decision to end this agreement early without just cause. This "buy out" shall be in full release and discharge of any claim or action EXECUTIVE DIRECTOR may have against TCHC, and EXECUTIVE DIRECTOR agrees to execute a release of claims prior to receiving any severance payment. Provided, however, in the event EXECUTIVE DIRECTOR is terminated because of conviction of a felony, substantial and repeated neglect of duty, intentional misconduct or any illegal act involving personal gain, TCHC shall have no obligation to give advance notice or severance pay and benefits.

6. EXECUTIVE DIRECTOR shall devote his full professional time and attention to the business of TCHC. In order to discharge the functions of Executive Director, early morning, luncheon and nighttime meetings and activities may occur outside regular office hours that require the Executive Director's attendance. EXECUTIVE DIRECTOR shall neither accept other employment nor become employed by any other employer until this agreement is terminated, unless such outside employment is approved by TCHC. This provision does not apply to appointments to boards and commissions related to employment with TCHC and not in conflict with the interests of TCHC.

7. TCHC agrees that no less than sixty (60) days prior to the expiration date of this agreement that it will either enter into a new employment agreement with EXECUTIVE DIRECTOR, or inform EXECUTIVE DIRECTOR of TCHC'S intent not to enter into a new agreement. If TCHC opts not to enter into a new agreement, EXECUTIVE DIRECTOR may, at his discretion, leave to seek other employment and TCHC agrees to continue to pay EXECUTIVE DIRECTOR the remaining sixty (60) days salary and benefits due under this agreement, including continuation of health benefits, as severance pay.

8. TCHC shall provide to EXECUTIVE DIRECTOR such benefits, including health, dental care, optical and retirement plan contributions as are provided to regular full-time employees of TCHC.

9. EXECUTIVE DIRECTOR shall be entitled to one (1) additional week of paid vacation immediately upon hire. EXECUTIVE DIRECTOR shall receive all other paid time off benefits (personal, floating holiday) as are provided to regular full-time employees of TCHC.

10. EXECUTIVE DIRECTOR shall be entitled to attend seminars, professional development programs and conventions relating to his position as Executive Director, at the expense of TCHC, in accordance with TCHC policy up to the amount authorized in the budget. Days so expended shall be regarded as days worked.

11. EXECUTIVE DIRECTOR agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, on the basis of race, color, religion, sex, national or ethnic origin, age, height, weight, marital status, disability or genetic information unrelated to the person's ability to perform the job, or any other characteristic protected by law applicable to TCHC.

12. A waiver by TCHC of any breach of this Agreement by the EXECUTIVE DIRECTOR shall not operate or be construed as a waiver of any subsequent breach by the EXECUTIVE DIRECTOR.

13. If any portion or provision of this Agreement is held or deemed to be unenforceable under federal or state law, the remainder of this Agreement shall remain in full force and effect,

14. This Agreement and the interpretation of each and all of the provisions thereof shall be governed by the laws of the State of Michigan.

EXECUTIVE DIRECTOR



By: Anthony Lentych

2-10-2015

Date

TRAVERSE CITY HOUSING
COMMISSION



By: Andy Smits
Its: President, Housing Commission

2-10-15

Date

TRAVERSE CITY HOUSING COMMISSION | POSITION DESCRIPTION

JOB TITLE / STATUS:

EXECUTIVE DIRECTOR – a full time, exempt employee. This position reports to, and is hired by, the publicly appointed Traverse City Housing Commission.

GENERAL DESCRIPTION OF POSITION:

Conduct all business of the Traverse City Housing Commission in accordance with established Commission Policy, Local, State, and Federal Law. Administer all Housing Commission facilities and programs and manage all staff persons. Position requires extensive interaction with Federal, State, local government(s), and community organizations.

This position involves complex administrative work requiring extensive knowledge in Federal housing programs, community development, and effective business applications. Incumbent is responsible for planning, organizing, directing and managing all facets of the Housing Commission operation based upon the strategic direction set forth by the Housing Commission.

SPECIFIC FUNCTIONS OF POSITION:

The specific functions and daily work of the Executive Director will center on the four primary strategic goals established in the 2015 Strategic Plan:

1. Expand affordable housing inventory and range of options.
 - Develop key partnerships in the private, public, and nonprofit sectors to support and to accelerate real estate development.
 - Track best practices in affordable housing in other markets; learn, share and test emerging models with the Housing Commission.
2. Create opportunities for residents to improve quality of life and achieve individual successes.
 - Identify program and service needs and determine what TCHC will develop and deliver and what program and services needs community partners will deliver.
 - Establish a maintenance process that ensures safe and well-maintained properties.
3. Foster an environment of innovation and excellence.
 - Recommend a plan of operation, administrative policies, organization and staffing requirements that support achieving a high performance standard as outlined by applicable Federal guidelines. Implement and monitor approved policies and procedures.

- Plan, organize, staff, control, direct and supervise the development, modernization, administration, management, and maintenance of all federal and state programs, policies, and procedures.
- Insure timely and effective preparation and regular evaluation of program budgets. Act as a steward of Federal, State and local funds and strive to ensure the cost-effective, efficient operation of the Housing Commission.
- Insure regular and periodic evaluations of personnel, facilities, programs to foster continuous quality improvement.
- Responsible for all financial activities of the Housing Commission including but not limited to a thorough review and reconciliation of account balances for federal programs on a monthly basis. The Executive Director is the staff signatory for checks issued from these program accounts.
- Act as *Chief Purchasing Agent* for materials, tools, equipment, supplies, systems, etc., and *Chief Contracting Officer* for service, maintenance, construction, and other contracts.
- Review, approve, and implement regulations and notices from governmental and/or regulatory agencies and respond when appropriate and in a timely manner.
- As necessary, attempt to resolve program participant disputes.

4. Increase community engagement and understanding of our work.

- Present periodic reports to the Housing Commission concerning business of the TCHC. Provide updates as needed on the status of all planning documents. Prepare various informational and required reports to the U.S. Department of Housing and Urban Development, the City of Traverse City, the State of Michigan, other agencies and the general public. Secure Housing Commission approval of business-related actions that require such approval.
- Act as spokesperson and public relations officer regarding Housing Commission programs and proposals. Represent Housing Commission interests in all dealings with the public, government organizations, and all groups and individuals having interest in the operation of the Housing Commission.
- Develop a communication plan to share our vision, our plan and to report on our progress.
- Develop, implement, and track an outreach and advocacy initiative focused on public officials.

Other:

- Hire, develop, discipline, train, direct, and, as necessary, terminate Housing Commission staff. Complete bi-annual evaluations of supervisory-level staff positions. Organize Housing Commission personnel, facilities, programs for proficient operations.
- Delegate functional and supervisory responsibilities to key staff persons to ensure economic and efficient program performance. Exercise general oversight of delegated functions.
- Responsible for other related activities and/or duties as may be assigned by the

Housing Commissioners.

Note: *The above statements are intended to describe the general nature and level of work being performed by people assigned this position. Such statements are descriptive and explanatory, but not restrictive. They are not to be construed as an exhaustive list of all job duties performed by personnel so classified. The listing of particular examples of duties does not preclude the assignment of other tasks of related kind or character or of lesser skills.*

KNOWLEDGE, SKILLS & ABILITIES:

Demonstrated operational understanding of the Federal, State, and Local Law relating to housing programs. A thorough knowledge of administrative management and business practices and a demonstrated capacity to implement such practices.

Demonstrated skill and ability in maintaining an effective working relationship with employees, tenants, and the public and governmental entities. Demonstrated high degree of initiative and independent judgment in securing and implementing new and innovative ideas and programs. Must possess the ability to handle complex situations that include several abstract variables.

PHYSICAL DEMANDS:

The physical demands described herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodation may be made to enable individuals with disabilities to perform these essential functions.

While performing the duties of this position, the employee is regularly required to sit, bend, walk, talk or hear and to use hands to finger, handle, or feel objects, or lift objects not greater than twenty (20) pounds. There are no special visual requirements that cannot be accommodated with corrective lenses. Work generally takes place in office surroundings where noise and exposure to adverse situations is controlled to a low, or non-existent level.

MENTAL APTITUDE:

Requires the ability to apply principles of logical scientific thinking to define problems, collect data, establish facts, and draw valid conclusions, to interpret an extensive variety of technical instructions in mathematical or diagrammatic form and to deal with several abstract and concrete variables. In addition, this position requires the ability to utilize mathematical formulas; conduct complex calculations and apply and interpret statistical inference and theory.

EDUCATIONAL BACKGROUND & EXPERIENCE:

A minimum of an undergraduate degree from an accredited college or university plus five years of increasing experience in management / administrative situations. Additional experience or direct experience in public housing program management considered in lieu of education. A

master's degree in a relevant academic field from an accredited college or university is preferred.

CERTIFICATES & LICENSES:

- Must possess valid State Driver's License with evidence of insurability.
- Must be Bondable.
- Must submit to, and pass, a drug test/screening prior to beginning employment with the Traverse City Housing Commission.
- Must attain significant progress towards the PHM certification before the end of first employment contract.

SALARY RANGE:

Commensurate with experience and performance, this position pays \$70,000.00 - \$85,000.00 per annum.

POSITION REVIEW:

The Executive Director will receive, at a minimum, an annual performance review that will be conducted by the Executive & Governance Committee and approved by the Traverse City Housing Commission. The incumbent may be required to prepare for the review by submitting materials, such as work product, questionnaires, or reports, to the Committee.

POSITION DESCRIPTION CERTIFICATION:

By my signature below, I certify that I have received the Executive Director's position description; that the position description has been reviewed with me; and that, upon such review, I understand and agree to perform the functions described to the best of my ability:

Anthony P. Lentych

Date

Andrew Smits, Commission Chair

Date



Traverse City Housing Commission
A Public Housing Authority

CORRESPONDENCE

Public Housing Assessment System (PHAS) Score Report

February 18, 2018 Record Eagle Article: Seeking Solutions

Invitation to Rick Michael Memorial Dedication on February 24, 2018



U.S. Department of Housing and Urban
OFFICE OF PUBLIC AND INDIAN HOUSING
REAL ESTATE ASSESSMENT CENTER

Public Housing Assessment System (PHAS) Score Report for Interim Rule

Report Date: 12/28/2017

| | |
|------------------|----------------------------------|
| PHA Code: | MI080 |
| PHA Name: | Traverse City Housing Commission |
| Fiscal Year End: | 06/30/2017 |

| PHAS Indicators | Score | Maximum Score |
|----------------------------|-----------------------|------------------------------|
| Physical | 34 | 40 |
| Financial | 23 | 25 |
| Management | 23 | 25 |
| Capital Fund | 10 | 10 |
| Late Penalty Points | 0 | |
| PHAS Total Score | 90 | 100 |
| Designation Status: | High Performer | |
| Published | 12/28/2017 | Initial published 12/28/2017 |

| Financial Score Details | Score | Maximum Score |
|--|-------|---------------|
| Unaudited/Single Audit | | |
| 1. FASS Score before deductions | 23.00 | 25 |
| 2. Audit Penalties | 0.00 | |
| Total Financial Score Unrounded (FASS Score - Audit Penalties) | 23.00 | 25 |

| Capital Fund Score Details | Score | Maximum Score |
|--|-------|---------------|
| Timeliness of Fund Obligation: | | |
| 1. Timeliness of Fund Obligation % | N/A | |
| 2. Timeliness of Fund Obligation Points | | 5 |
| Occupancy Rate: | | |
| 3. Occupancy Rate % | 96.38 | |
| 4. Occupancy Rate Points | | 5 |
| Total Capital Fund Score (Fund Obligation + Occupancy Rate): | 10 | 10 |

Notes:

1. The scores in this Report are the official PHAS scores of record for your PHA. PHAS scores in other systems are not to be relied upon and are not being used by the Department.
2. Due to rounding, the sum of the PHAS indicator scores may not equal the overall PHAS score.
3. "0" FASS Score indicates a late presumptive failure. See 902.60 and 902.92 of the Interim PHAS rule.
4. "0" Total Capital Fund Score is due to score of "0" for Timeliness of Fund Obligation. See the Capital Fund
5. PHAS Interim Rule website - <http://www.hud.gov/offices/reac/products/prodphasinrule.cfm>

Commission, Partners Plan Project; Hundreds Seek Affordable Housing

BY JORDAN TRAVIS

February 18, 2018

TRAVERSE CITY — Ken Carlson doubts he'll qualify for a housing project the Traverse City Housing Commission and other partners are pursuing, but he likes the idea.

He's 66 and retired, so he's too old for the homeless or at-risk youth apartments the project will include, he said. He's also seeking more affordable accommodations than the workforce apartments would cost. But Carlson has seen how badly the area needs more affordable housing as he waits for a place of his own.

"Not knowing all the details, on the face of it, it sounds like a very hopeful start," he said.

The housing commission wants to turn a part of Country Inn and Suites on Munson Avenue into 45 workforce housing apartments and 15 rentals for people ages 18 to 24 who face or are near homelessness, said housing commission Executive Director Tony Lentych. Socks Construction has an option to purchase the building, and the housing commission could potentially partly own it.

That part ownership would open up the project for a tax deal from the city, Lentych said. City leaders could grant the property a payment in lieu of taxes agreement as they have for other affordable housing projects. The housing commission plans to manage the property either way — the housing commission will calculate how much it could contribute to the project.

Kurt Bowden, whom Lentych identified as the building owner's attorney, wasn't available for comment Friday.

Workforce rentals would be capped at \$990 per month, including utilities, Lentych said. That's aimed at single people making \$17.25 per hour, or 80 percent of Grand Traverse County's area median income.

That's not Traverse City Housing Commission's typical clientele, Lentych said. The organization owns and runs Riverview Terrace, federally funded housing for older or disabled people. It also connects people making 60 percent of the area median income or less with federal housing vouchers.

But the project still is a good fit for the housing commission, even if it's aimed at a different part of the income spectrum, Lentych said.

“We have an interest in providing that, because we want to serve anywhere we can,” he said. “That’s part of our mission, to create or cause to create as much affordable housing as possible, and this is still technically affordable housing because it’s below the median.”

John Socks, part owner of Socks Construction, said the building is a unique opportunity that couldn’t be replicated in Traverse City without spending much more. Cost estimates so far put the price at \$5.6 million, including about \$1 million in renovation costs, well below the price of land and new construction.

“It’s something we’ve been looking for for a long time, and obviously there’s a need for it,” he said. “We finally came across this.”

It’s also a stellar location, one close to Northwestern Michigan College, bus lines, businesses where residents could work and other essentials and amenities, Socks and Lentych said separately.

Eric Hanna, Michigan Community Capital president and CEO, said he’ll ask the financial institution board to consider investing \$1 million in the project. The nonprofit corporation aims to finance projects that help underserved populations. It counts banks and the Michigan Economic Development Corporation among its funders.

“So one of the subsegments we’ve chosen to address, along with our funding members, is the notion of what we call attainable or workforce housing,” he said.

Michigan Community Capital considers projects in Traverse City and Grand Rapids as a pilot efforts to demonstrate how to fund them, Hanna said. The institution will contribute to the project and receive a return on the investment lower than a private investor would expect — 7 percent, say, instead of 20 or more.

This investment allows project partners to offer rentals below the city’s market rate, Hanna said. That kind of housing serves a “missing middle:” people who earn too much for housing assistance but struggle to afford rents in a pricey market.

The proposal also is a chance to house young adults who need extra help, a need not specifically served elsewhere in Traverse City, Lentych said.

Northwest Michigan Continuum of Care will invest in the 15 at-risk youth apartments as part of a \$2 million demonstration project, Lentych said.

Sakura Raftery, Northwest Michigan Continuum of Care chairperson, said the federal Department of Housing and Urban Development chose Grand Traverse County and four others as one of 10 locales nationwide for the demonstration project. The network of housing and homeless service providers is working with other partners to find ways to prevent young people from becoming homeless.

“This housing project is one piece of a much bigger initiative that we’re working on, but as we know, one of the biggest barriers of at-risk and low-income folks in our community is finding housing,” she said.

Tenants in the youth housing would pay a portion of their income, and Northwest Michigan Continuum of Care would provide housing vouchers to make up for the rest, Raftery said. Plans call for turning what’s currently a workout room into a community room, and a resident assistant would help the young residents adjust to their living situation.

These living places could be huge for young adults staying in shelters or sleeping on a friend’s or relative’s couch, Raftery said. Some young people might stay in bad situations if they have nowhere else to go — living with a violent partner, for example.

Northwest Michigan Continuum of Care also is working on youth outreach services in the schools and streets, and on providing rental assistance, Raftery said.

Even getting a housing voucher is no guarantee that someone will find a place, Lentych said.

Carlson got a Housing Choice voucher, but ran out of time to find an apartment where he could use it, he said. He applied in June 2016 and got it in September 2017. He combed the listings and asked around for three months, and Alisa Korn with the housing commission worked with him extensively. But no luck.

That experience is hardly uncommon, Lentych said. Apartments in town frequently cost more than housing voucher rules allow. A single person’s rent for a housing voucher is capped at \$832, including utilities, where a one-bedroom could rent for \$1,000 or more per month.

“For the most part, the biggest problems are single people who are lower-income finding a one-bedroom apartment that’s within that rent structure,” he said.

Meanwhile, 235 people await a Housing Choice voucher, which 167 in Antrim, Benzie, Grand Traverse, Kalkaska and Leelanau counties have received, Lentych said. Carlson is 19th of the 127 people waiting for an opening in Riverview Terrace, with some possible overlap with the voucher waiting list.

It’s not just rentals. Traverse Area Association of Realtors CEO Kim Pontius said homes selling for \$125,000 to \$200,000 sell quickly. Sometimes they sell within the three days it takes for them to make the Multiple Listing Service.

“The price point you’re talking about is pretty much a unicorn in our market, especially Traverse City,” he said.

Grand Traverse County’s median home price keeps climbing, too, Pontius said. The average house cost \$230,500 in January, compared to \$192,500 a year prior. He hopes some major

housing developments in the townships around Traverse City will create some badly needed inventory.

Carlson is still waiting for an apartment in Riverview Terrace, he said. He'll stay in his current, temporary living situation for now. It's where he's living after dealing with a substance abuse issue from which he's recovered but which lead him to a serious run-in with the law 15 years ago.

Carlson said he doesn't blame developers or property owners for wanting to sell at the best price. Nor does he think it's someone else's responsibility to give him a home. But a lack of affordable housing is a problem that needs a solution, and the housing commission's proposal would only be a start.

"I think everyone has a vested interest in having housing that meets their needs physically, geographically and financially," he said.

Richard G. “Rick” Michael

Memorial Dedication at Safe Harbor Shelter



“Sunrise, a New Day” by local artist, Brian Strickland

Please join the **Traverse City Housing Commission** along with the Friends and Family of Rick Michael for a brief dedication and blessing of this Memorial

February 24, 2018 at 2:30 P.M.

at the Safe Harbor Shelter, 517 Wellington Street, Traverse City, Michigan, 49686