

PROPOSED ADMIN BUDGET

Prepared for NAHAC Board of Directors meeting September 28, 2017

Agenda Item #6c

There are 3 1/2 years remaining through the end of the Hardest Hit Funds program. Administrative expenses from inception have been approximately 16.43% of total expenditures. Our HPA Agreement currently shows a total allocation of approximately 12.44% of expenditures, which has been exceeded thus far. We considered the average of states with total budgets similar to Nevada's and found the average for administrative expenses to be 15.5%. We request that the board consider approving NAHAC management to seek additional funding for administrative expenses amounting to approximately 15.2% of NAHAC's total HHF budget.

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NEVADA AFFORDABLE HOUSING ASSISTANCE CORPORATION

	Current Budget	Remaining	Budget Needed through 2020 (FY18 Budget x 3.5)		Total Needed	Difference	Proposed Budget
			Wind-down				
One-time/Start-up Expenses:							
Initial Personnel	361,409.00	-	-	-	-	-	361,409.00
Building, Equipment, Technology	114,868.00	-	-	-	-	-	114,868.00
Professional Services	302,034.00	-	-	-	-	-	302,034.00
Supplies/Miscellaneous	11,836.00	-	-	-	-	-	11,836.00
Marketing Communications	23,333.00	-	-	-	-	-	23,333.00
Travel	7,404.00	-	-	-	-	-	7,404.00
Website Development/Transition	14,400.00	-	-	-	-	-	14,400.00
Contingency	-	-	-	-	-	-	-
Subtotal One-time/Start-up Expenses	835,284.00	-	-	-	-	-	835,284.00
Operating/Administrative Expenses:							
Salaries	13,067,190.00	4,281,008.67	4,257,400.00	550,000.00	4,807,400.00	526,390.00	13,593,580.00
Professional Services (Legal, Compliance, Audit, Monitoring)	2,114,657.00	448,984.73	2,100,000.00	75,000.00	2,175,000.00	1,726,020.00	3,840,677.00
Travel	251,148.00	144,483.35	45,500.00	-	45,500.00	(98,980.00)	152,168.00
Building, Leases & Equipment	1,330,119.00	558,329.14	350,000.00	50,000.00	400,000.00	(158,330.00)	1,171,789.00
Information Technology & Communications	2,788,718.00	163,935.82	1,918,000.00	25,000.00	1,943,000.00	1,779,060.00	4,567,778.00
Office Supplies/Postage and Delivery/Subscriptions	345,380.00	156,244.44	80,500.00	5,000.00	85,500.00	(70,740.00)	274,640.00
Risk Management/Insurance	339,358.00	107,264.49	154,000.00	20,000.00	174,000.00	66,740.00	406,098.00
Training	40,150.00	32,415.13	1,750.00	-	1,750.00	(30,670.00)	9,480.00
Marketing/PR	531,805.00	264,631.80	414,750.00	-	414,750.00	150,120.00	681,925.00
Miscellaneous	20,000.00	(389,734.25)	238,000.00	-	238,000.00	627,730.00	647,730.00
Subtotal Operating/Administrative Expenses	20,828,525.00	5,767,563.32	9,559,900.00	725,000.00	10,284,900.00	4,517,340.00	25,345,865.00
Transaction Related Expenses:							
Recording Fees	453,806.00	199,519.60	210,000.00	-	210,000.00	10,480.00	464,286.00
Wire Transfer Fees	267,275.00	142,365.18	42,000.00	-	42,000.00	(100,370.00)	166,905.00
Subtotal Transaction Related Expenses	721,081.00	341,884.78	252,000.00	-	252,000.00	(89,890.00)	631,191.00
Counseling Expenses:							
File Intake	2,230,804.00	102,454.26	7,000.00	-	7,000.00	(95,450.00)	2,135,354.00
Decision Costs	67,661.00	(3,074.13)	80,500.00	-	80,500.00	83,570.00	151,231.00
Successful File	50,500.00	2,404.78	-	-	-	(2,400.00)	48,100.00
Key Business Partners On-Going	513,821.00	(24,351.98)	315,000.00	-	315,000.00	339,350.00	853,171.00
Subtotal Counseling Expenses	2,862,786.00	77,432.93	402,500.00	-	402,500.00	325,070.00	3,187,856.00
Total HHF Administrative Expenses	25,247,676.00	6,186,881.03	10,214,400.00	725,000.00	10,939,400.00	4,752,520.00	30,000,196.00

Nevada Affordable Housing Assistance Corporation
Admin Expense Analysis

	Current Budget	Actual FY10	Actual FY11	Actual FY12	Actual FY13	Actual FY14	Actual FY15	Actual FY16	Actual FY17	Actual through FY17	Remaining	FY18 Budget Draft
HHF Program Expenses:												
HHF Program Expenses - Treasury Assistance Payments	177,664,205.00	-	304,552.13	7,920,902.17	61,708,071.44	13,657,033.16	3,360,993.73	3,819,412.36	6,206,043.83	96,977,008.82	80,687,196.18	25,273,070.00
HHF Program Expenses - Borrower Partial Payments made, net of Borrower Remittances Received	-	-	-	-	-	-	-	-	-	-	-	-
Total HHF Program Expenses	177,664,205.00	-	304,552.13	7,920,902.17	61,708,071.44	13,657,033.16	3,360,993.73	3,819,412.36	6,206,043.83	96,977,008.82	80,687,196.18	25,273,070.00
One-time/Start-up Expenses:												
Initial Personnel	361,409.00	-	361,409.00	-	-	-	-	-	-	361,409.00	-	-
Building, Equipment, Technology	114,868.00	9,430.65	90,866.52	14,570.83	-	-	-	-	-	114,868.00	-	-
Professional Services	302,034.00	9,642.50	199,989.48	92,402.02	-	-	-	-	-	302,034.00	-	-
Supplies/Miscellaneous	11,836.00	86.63	11,749.37	-	-	-	-	-	-	11,836.00	-	-
Marketing Communications	23,333.00	-	23,333.00	-	-	-	-	-	-	23,333.00	-	-
Travel	7,404.00	417.40	6,986.60	-	-	-	-	-	-	7,404.00	-	-
Website Development/Transition	14,400.00	49.50	14,350.50	-	-	-	-	-	-	14,400.00	-	-
Contingency	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal One-time/Start-up Expenses	835,284.00	19,626.68	708,684.47	106,972.85	-	-	-	-	-	835,284.00	-	-
Operating/Administrative Expenses:												
Salaries	13,067,190.00	-	356,739.73	979,756.30	2,052,374.60	1,823,522.13	1,643,492.27	1,138,841.94	791,454.36	8,786,181.33	4,281,008.67	1,216,400.00
Professional Services (Legal, Compliance, Audit, Monitoring)	2,114,657.00	-	-	13,062.98	108,454.16	226,319.10	360,958.87	346,618.24	610,258.92	1,665,672.27	448,984.73	600,000.00
Travel	251,148.00	-	3,751.86	14,239.70	25,389.06	39,076.03	35,675.26	(21,340.11)	9,872.85	106,664.65	144,483.35	13,000.00
Building, Leases & Equipment	1,330,119.00	-	-	90,259.66	163,606.12	140,078.62	174,819.30	102,721.14	100,305.02	771,789.86	558,329.14	100,000.00
Information Technology & Communications	2,788,718.00	-	68,924.22	572,125.95	662,209.75	585,117.55	295,946.84	108,468.38	331,939.99	2,624,782.18	163,935.82	548,000.00
Office Supplies/Postage and Delivery/Subscriptions	345,380.00	-	1,289.41	29,647.99	60,213.93	38,561.85	31,455.86	14,859.65	13,106.87	189,135.56	156,244.44	23,000.00
Risk Management/Insurance	339,358.00	-	17,536.28	22,717.18	20,291.77	42,857.84	42,624.33	42,121.88	43,944.23	232,093.51	107,264.49	44,000.00
Training	40,150.00	-	474.00	355.00	2,424.75	1,674.12	330.98	2,466.35	9.67	7,734.87	32,415.13	500.00
Marketing/PR	531,805.00	-	113,080.80	76,037.06	2,843.90	8,683.20	18,101.05	4,115.43	44,361.26	267,173.20	264,631.80	118,500.00
Miscellaneous	20,000.00	365.00	71,693.05	90,735.61	142,429.20	(11,744.28)	113,596.33	(23,113.27)	25,772.61	409,734.25	(389,734.25)	68,000.00
Subtotal Operating/Administrative Expenses	20,828,525.00	365.00	633,489.35	1,888,937.43	3,240,237.24	2,894,146.16	2,717,001.09	1,715,759.63	1,971,025.78	15,060,961.68	5,767,563.32	2,731,400.00
Transaction Related Expenses:												
Recording Fees	453,806.00	-	465.00	-	-	48,077.00	12,581.50	127,963.50	65,199.40	254,286.40	199,519.60	60,000.00
Wire Transfer Fees	267,275.00	-	5,536.13	17,256.51	21,869.59	30,360.47	21,113.77	18,022.48	10,750.87	124,909.82	142,365.18	12,000.00
Subtotal Transaction Related Expenses	721,081.00	-	6,001.13	17,256.51	21,869.59	78,437.47	33,695.27	145,985.98	75,950.27	379,196.22	341,884.78	72,000.00
Counseling Expenses:												
File Intake	2,230,804.00	-	6,128.62	150,666.85	511,722.62	1,451,958.38	4,387.34	1,562.08	1,923.85	2,128,349.74	102,454.26	2,000.00
Decision Costs	67,661.00	-	-	9,341.66	6,300.00	-	12,166.64	22,200.02	20,726.81	70,735.13	(3,074.13)	23,000.00
Successful File	50,500.00	-	21,065.93	27,029.29	-	-	-	-	-	48,095.22	2,404.78	-
Key Business Partners On-Going	513,821.00	-	729,339.05	497,584.62	833,064.69	(1,583,221.32)	-	18,389.27	43,016.67	538,172.98	(24,351.98)	90,000.00
Subtotal Counseling Expenses	2,862,786.00	-	735,467.67	678,659.06	1,378,116.60	(131,262.94)	16,553.98	42,151.37	65,667.33	2,785,353.07	77,432.93	115,000.00
Total HHF Administrative Expenses	25,247,676.00	D 19,991.68	2,083,642.62	2,691,825.85	4,640,223.43	2,841,320.69	2,767,250.34	1,903,896.98	2,112,643.38	19,060,794.97	6,186,881.03	B 2,918,400.00
Total HHF Program and Administrative Expenses	202,911,881.00	C 19,991.68	2,388,194.75	10,612,728.02	66,348,294.87	16,498,353.85	6,128,244.07	5,723,309.34	8,318,687.21	116,037,803.79		
Percentage administrative of total expenses	12.44%	100.00%	87.25%	25.36%	6.99%	17.22%	45.16%	33.27%	25.40%	16.43%		

A	2,918,400.00	Remaining year through end of HHF
	<u>3.5</u>	Admin funds needed through end of program
B	(6,186,881.03)	Less: remaining admin expenses
	4,027,518.97	Additional Admin Funds Needed
	<u>725,000.00</u>	Estimated wind-down costs
	<u>4,752,518.97</u>	E
C	202,911,881.00	Total Current Budget Allocation
	(6,700,000.00)	Less: 5th round funding loss expected
	<u>196,211,881.00</u>	G Admin funds needed through end of program
D	25,247,676.00	Total Current Admin Budget Allocated
E	4,752,518.97	Additional Admin Funds Needed
	<u>30,000,194.97</u>	F Requested Total Admin Funds to be Allocated
F	30,000,194.97	Total Expected Admin Budget Allocation
G	196,211,881.00	Total Expected Budget Allocation
	<u><u>15.29%</u></u>	Percent of Budget Allocated to Admin after Revision

State	Allocation (\$)	Admin (\$)	%
DC**	\$28,745,131	\$5,768,108	20.1%
RI	\$115,975,303	\$17,411,959	15.0%
MS	\$144,291,701	\$21,526,327	14.9%
AL	\$162,521,345	\$27,024,240	16.6%
NV	\$202,911,881	\$25,247,676	12.4%
KY	\$207,005,833	\$19,975,385	9.6%
IN	\$283,714,437	\$38,301,449	13.5%
AZ	\$296,048,525	\$39,779,745	13.4%
TN	\$302,055,030	\$35,590,599	11.8%
OR	\$314,578,350	\$57,680,782	18.3%
SC	\$317,461,821	\$57,310,525	18.1%
GA	\$370,136,394	\$47,852,116	12.9%
NJ	\$415,133,962	\$45,029,990	10.8%
NC	\$706,507,564	\$95,808,248	13.6%
IL	\$715,077,617	\$68,279,216	9.5%
MI	\$761,204,045	\$69,981,853	9.2%
OH	\$762,302,067	\$66,558,736	8.7%
FL	\$1,135,735,674	\$124,891,404	11.0%
CA*	\$2,358,593,320	\$241,818,610	10.3%

Average of red: 15.5%