

NAHAC
FINANCE SUMMARY



Prepared By: Chantell Legacy

Date Prepared: 2/9/2018

1. **Summary**

E&S is in the process of completing the internal compliance reviews for Q2 through Q3 of FY17. Q1 of FY17 has been provided to SIGTARP per their request. We adjusted the forecasted numbers for the remaining months of the fiscal year to better reflect expectations for comparison with the budget. Additionally, we adjusted the included cumulative report to reflect the 5th round funding reduction.

2. **Finance Report Discussion**

Balance Sheet

- Prepaid expenses increased primarily due to the renewal premium for professional liability insurance.
- Other current assets included \$100K held by the bank until supporting documentation for that borrower were provided and a small misc. refund owed to NAHAC.
- AP decreased primarily due to Springboard and G2 Consulting invoices from before January that were received and paid in January, but entered in prior months based on when the services were rendered.
- Garnishments payable were paid at the end of January and are reimbursed through payroll shortly after month end, which is why it shows a negative balance.

Income Statement

- The decrease in professional liability insurance is due to a timing difference.
- Other income includes late charges on a borrower's outstanding AR balance.
- The decrease in consulting services is due to hiring Greg Glover (former contractor).
- Invoices not yet received for current month expenses:

<u>Account</u>	<u>Vendor</u>
Legal	Fennemore Craig
Consulting	G2 Consulting

3. **Actions & Recommendations**

Semi-annual review of By-Laws due in February.

Nevada Affordable Housing Assistance Corporation

Balance Sheet

	1/31/2018	12/31/2017	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
10100 · Checking - Operating (BNY 9079)	283,496	457,858	-174,362
10200 · Checking - ACH Txfr (BNY 6666)	15,611	15,611	-
10300 · Investment Account - BNY Sweep	12,592,596	13,731,798	-1,139,202
Total Checking/Savings	12,891,702	14,205,266	-1,313,564
Accounts Receivable			
11100 · Funds Receivable B-4 Client	53,053	60,433	-7,380
Total Accounts Receivable	53,053	60,433	-7,380
Other Current Assets			
13000 · Prepaid Expenses	57,136	44,215	12,921
14200 · Other Current Assets	101,204	-	101,204
Total Other Current Assets	158,340	44,215	114,125
Total Current Assets	13,103,095	14,309,914	-1,206,819
Fixed Assets			
15000 · Fixed Assets			
15100 · Office Equipment	112,457	112,457	-
15200 · Software	321,074	301,074	20,000.00
15300 · Furniture and Fixtures	24,742	24,742	-
Total 15000 · Fixed Assets	458,273	438,273	20,000.00
16000 · Accumulated Depreciation	(228,787)	(219,820)	-8,966
Total Fixed Assets	229,486	218,453	11,034
Other Assets			
17000 · Refundable Deposits	14,837	14,837	-
Total Other Assets	14,837	14,837	-
TOTAL ASSETS	13,347,418	14,543,204	-1,195,786
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
20000 · Accounts Payable	97,813	161,707	-63,894
Total Accounts Payable	97,813	161,707	(63,894)
Credit Cards			
22000 · Nevada State Bank Credit Card	-	50	(50.00)
Total Credit Cards	-	50	(50.00)
Other Current Liabilities			
23500 · Garnishments Payable	(412)	-	-412
25000 · Deferred Revenue	13,246,640	14,378,071	-1,131,430
Total Other Current Liabilities	13,246,228	14,378,071	-1,131,842
Total Current Liabilities	13,344,041	14,539,827	-1,195,786
Long Term Liabilities			
27000 · Unclaimed Property	3,377	3,377	-
Total Long Term Liabilities	3,377	3,377	-
Total Liabilities	13,347,418	14,543,204	-1,195,786
TOTAL LIABILITIES & EQUITY	13,347,418	14,543,204	-1,195,786

		Budget	Jul	Aug	Sep	Oct	Nov	Dec	Current Jan
INCOME									
Total Program Contract Revenue		28,015,270	1,192,948	881,128	1,497,291	1,639,731	1,159,944	1,194,710	1,131,636
Other Revenues									
41000	Lien Satisfaction Recoveries	100,000	13,694	5,999	10,697	1,967	4,762	3,055	6,049
42000	Interest Income	75,000	9,823	11,014	10,491	9,927	9,791	9,170	9,976
Total Other Revenues		175,000	23,517	17,013	21,188	11,894	14,553	12,225	16,025
TOTAL INCOME		28,190,270	1,216,465	898,141	1,518,479	1,651,625	1,174,497	1,206,935	1,147,661
Direct Program Funding Costs									
50100	B1 Principal Reduction	21,947,394	931,379	518,973	1,222,601	1,286,092	688,508	723,606	646,717
50200	B2 SMRP	1,406,913	33,936	40,015	38,983	-	50,000	104,653	118,380
50300	B4 MAP	-	-	4,760	-	-	-	-	-
50400	B4 MAP (UMA)	1,025,476	39,133	51,258	64,896	70,150	89,412	101,539	126,520
50800	B8 MRAP (MRP)	893,288	31,275	66,974	13,823	52,711	159,209	98,805	112,699
TOTAL DIRECT PROGRAM FUNDING COSTS		25,273,070	1,035,723	681,980	1,340,303	1,408,953	987,129	1,028,603	1,004,316
GROSS EARNINGS		2,917,200	180,742	216,161	178,176	242,672	187,368	178,332	143,345
EXPENSES									
Transaction Related Expenses 60000									
61000	Recording Fees	60,000	1,387	1,596	1,885	3,160	166	2,677	1,604
63000	Bank Fees	12,000	1,050	853	1,219	1,562	1,008	912	998
Counseling Expenses 64000:									
64100	Business Partners	90,000	3,150	5,550	3,600	5,167	4,117	5,717	5,317
64200	Statistical Data	23,000	710	1,102	692	733	571	1,377	492
64300	File Intake Costs	2,000	452	485	568	379	363	736	344
Total Counseling Expenses		115,000	4,312	7,137	4,860	6,279	5,051	7,830	6,153
Total Transaction Related Expenses		187,000	6,749	9,586	7,964	11,001	6,225	11,419	8,755
General and Administrative Expenses 70000									
Compensation Expenses 71000									

		Budget	Jul	Aug	Sep	Oct	Nov	Dec	Current Jan
Salaries and Wages 71100:									
71110	Operations	238,000	17,841	25,236	20,917	16,755	16,771	19,459	20,891
71120	Accounting	41,000	3,924	4,709	3,140	3,139	3,142	3,139	3,369
71130	Underwriting	120,000	9,061	14,480	9,460	9,001	9,386	10,151	9,311
71140	Closing and Recon	102,000	12,093	12,231	8,263	10,358	7,879	7,845	7,844
71150	Call Center	42,000	-	-	-	-	-	-	-
71160	IT Department	85,000	-	-	-	-	-	-	-
71170	Temporary Labor	419,000	17,255	26,846	21,478	29,259	23,676	21,850	16,010
Total Salaries and Wages		1,047,000	60,174	83,502	63,258	68,512	60,854	62,444	57,425
71200	Payroll Tax Expenses	53,000	4,966	5,101	3,462	3,120	2,782	3,018	4,886
Employee Benefits and Other HR 71300									
71310	Medical and Dental	97,000	5,325	4,811	7,384	5,571	5,333	5,352	5,352
71320	Workers' Compensation	1,400	-	-	-	107	107	107	107
71330	Employee Training	3,500	-	45	-	35	-	-	-
71340	Payroll Processing Charges	14,000	947	982	982	1,644	981	923	1,137
71300	Other Employee Benefits and HR	500	-	-	-	-	-	-	-
71000	Compensation Expenses - Other	-	320	25	-	-	-	-	-
Total Employee Benefits and Other HR		116,400	6,592	5,863	8,366	7,357	6,421	6,382	6,596
Total Compensation Expenses		1,216,400	71,732	94,466	75,086	78,989	70,057	71,844	68,907

		Budget	Jul	Aug	Sep	Oct	Nov	Dec	Current Jan
Advertising, Marketing and PR 72000									
72100	Website Expenses	6,000	300	-	-	-	-	-	-
72200	Marketing Expenses	60,000	10,680	9,090	9,783	9,075	20,476	17,095	3,830
72300	Marketing Campaigns	50,000	-	-	-	-	-	-	-
72400	Dues, Subscriptions, & Recruitment	500	122	122	141	122	121	122	122
72500	Marketing Collateral	2,000					-	-	-
Total Advertising, Marketing and PR		118,500	11,102	9,212	9,924	9,197	20,597	17,217	3,952
Professional Services 73000									
73100	Accounting and Audit Services	240,000	24,583	22,747	17,083	37,083	17,083	17,083	19,500
73200	Legal Services	263,000	(15,285)	(1,187)	(8,570)	19,198	3,237	7,378	-
73300	Consulting Services	97,000	13,300	13,899	13,300	13,300	10,175	10,790	1,946
73400	Other Professional Services	-	198	-	245	174	250	73	-
Total Professional Services		600,000	22,796	35,459	22,058	69,755	30,745	35,324	21,446
Building, Leases and Equipment 74000									
74100	Rent - Office	87,000	7,186	7,186	7,592	7,641	7,591	7,591	7,591
74200	Rent - Equipment	3,000	358	361	-	358	-	358	120
74300	Building Repairs and Maintenance	1,000	-	-	-	520	-	173	87
74400	Equipment Repairs and Maintenance	2,000	148	-	-	-	125	-	-
74500	Utilities Expense	2,500	54	54	-	54	54	111	384
74600	Janitorial Expense	4,500	720	-	360	360	360	360	360
Total Building, Leases and Equipment		100,000	8,466	7,601	7,952	8,933	8,130	8,593	8,542
Insurance Expense 75000									
75100	Directors & Officers Insurance	20,000	1,882	1,460	1,460	1,460	1,460	1,460	1,460
75200	Property and General Liability Insurance	3,700	79	79	79	79	79	79	79
75300	Crime Insurance	2,500	206	206	206	206	206	206	-
75500	Cyber Insurance	2,500	-	-	-	-	-	-	-
75500	Professional Liability Insurance	15,300	1,275	1,275	1,275	1,275	1,275	1,275	-
Total Insurance Expense		44,000	3,442	3,020	3,020	3,020	3,020	3,020	1,539
Office Expenses 76000									
75100	Supplies	12,000	330	1,742	549	2,701	1,472	1,461	291
75200	Postage and Freight	4,500	182	33	300	169	69	177	239
75400	Office Furniture and Equipment	5,000	-	-	-	4,391	-	-	-
75500	Dues and Subscriptions	500	-	-	-	-	-	-	-
76500	Document Storage & Destruction	1,000	50	-	86	35	25	25	-
77500	Depreciation Expense - FF&E	3,600	295	295	295	294	295	295	294

		Budget	Jul	Aug	Sep	Oct	Nov	Dec	Current Jan
Total Office Expenses		26,600	857	2,070	1,230	7,590	1,861	1,958	824
Information, Tech and Communications 77000									
77100	Technology Hardware	30,000	-	-	-	4,201	-	-	-
77200	Software Expense	22,000	(3)	-	352	12	-	-	-
77300	Telephone / Internet / Security	20,000	772	1,272	1,239	1,239	1,239	1,423	1,055
77400	IT Services	476,000	49,622	47,144	42,531	40,987	36,890	19,295	19,295
77500	Depreciation Expense - IT	56,400	4,591	5,147	6,449	7,006	7,563	8,116	8,672
Total Information, Tech and Communications		604,400	54,982	53,563	50,571	53,445	45,692	28,834	29,022
Travel Expenses 78000									
78100	Airfare	5,000	-	945	-	-	108	-	-
78200	Accommodations	2,500	-	-	-	-	-	-	(22)
78300	Auto and Parking	2,500	-	10	46	364	105	23	-
78400	Travel - Meals & Entertainment	2,500	166	186	-	133	33	-	598
78500	Non-Employee Travel	250	-	-	-	-	698	-	-
78000	Other Travel	250	-	-	-	-	6	-	-
Total Travel Expenses		13,000	166	1,141	46	497	950	23	576
Other General and Administrative 79000									
79300	Taxes and Licenses	2,000	-	-	80	-	-	-	12
79500	Board Expenses	6,000	320	-	200	200	-	100	-
79000	Other General and Administrative	-	130	43	45	45	91	-	45
Total Other General and Administrative		8,000	450	43	325	245	91	100	57
Total General and Administrative Expenses		2,730,900	173,993	206,575	170,212	231,671	181,143	166,913	134,865

	Budget	Jul	Aug	Sep	Oct	Nov	Dec	Current Jan
TOTAL EXPENSES	2,917,900	180,742	216,161	178,176	242,672	187,368	178,332	143,620
Other Income (Expense)								
81000 Other Income	100	-	-	-	-	-	-	275
82000 Other Expense	100							
Total Other Income (Expense)	700	-	-	-	-	-	-	275
NET INCOME	-	-	-	-	-	-	-	-
Monthly % of Admin Expenses		14.9%	24.1%	11.7%	14.7%	16.0%	14.8%	12.5%
Cumulative % of Admin Expenses		14.9%	18.8%	15.8%	15.5%	15.6%	15.4%	15.1%

		Feb	Mar	Apr	May	Jun	YTD Actual w/ Budget	% of Budget
INCOME								
Total Program Contract Revenue		1,315,559	1,330,059	1,357,407	1,356,550	1,378,217	15,435,180	55%
Other Revenues								
41000	Lien Satisfaction Recoveries	8,924	8,924	10,708	10,708	10,763	96,250	96%
42000	Interest Income	6,250	6,250	6,250	6,250	6,250	101,442	135%
Total Other Revenues		15,174	15,174	16,958	16,958	17,013	197,692	113%
TOTAL INCOME		1,330,733	1,345,233	1,374,365	1,373,508	1,395,230	15,632,872	55%
Direct Program Funding Costs								
50100	B1 Principal Reduction	860,000	860,000	860,000	860,000	860,000	10,317,876	47%
50200	B2 SMRP	60,000	60,000	60,000	60,000	60,000	685,967	49%
50300	B4 MAP	-	-	-	-	-	4,760	0%
50400	B4 MAP (UMA)	91,510	91,510	109,813	109,813	110,372	1,055,926	103%
50800	B8 MRAP (MRP)	79,714	79,714	95,657	95,657	96,144	982,382	110%
TOTAL DIRECT PROGRAM FUNDING COSTS		1,091,224	1,091,224	1,125,470	1,125,470	1,126,516	13,046,911	52%
GROSS EARNINGS		239,509	254,009	248,895	248,038	268,714	2,585,961	89%
EXPENSES								
Transaction Related Expenses 60000								
61000	Recording Fees	5,355	5,355	6,409	6,426	6,459	42,479	71%
63000	Bank Fees	1,000	1,000	1,000	1,000	1,000	12,602	105%
Counseling Expenses 64000:								
64100	Business Partners	6,000	6,000	6,000	6,000	6,000	62,618	70%
64200	Statistical Data	1,000	1,000	1,000	1,000	1,000	10,677	46%
64300	File Intake Costs	500	500	500	500	500	5,827	291%
Total Counseling Expenses		7,500	7,500	7,500	7,500	7,500	79,122	69%
Total Transaction Related Expenses		13,855	13,855	14,909	14,926	14,959	134,203	72%
General and Administrative Expenses 70000								
Compensation Expenses 71000								

		Feb	Mar	Apr	May	Jun	YTD Actual w/ Budget	% of Budget
Salaries and Wages 71100:								
71110	Operations	19,833	19,833	19,833	19,833	19,833	237,035	100%
71120	Accounting	3,417	3,417	3,417	3,417	3,417	41,647	102%
71130	Underwriting	10,000	10,000	10,000	10,000	10,000	120,850	101%
71140	Closing and Recon	8,500	8,500	8,500	8,500	8,500	109,013	107%
71150	Call Center	3,500	3,500	3,500	3,500	3,500		
71160	IT Department	7,083	7,083	7,083	7,083	7,083		
71170	Temporary Labor	37,392	37,392	44,753	44,871	45,099	365,881	87%
	Total Salaries and Wages	89,725	89,725	97,086	97,204	97,432	927,341	89%
71200	Payroll Tax Expenses	4,543	4,543	4,916	4,922	4,934	51,193	97%
Employee Benefits and Other HR 71300								
71310	Medical and Dental	8,083	8,083	8,083	8,083	8,083	79,543	82%
71320	Workers' Compensation	500				400	1,328	95%
71330	Employee Training	-	-	1,000	-	-	1,080	31%
71340	Payroll Processing Charges	1,200	1,200	1,298	1,300	1,303	13,897	99%
71300	Other Employee Benefits and HR	-	-	-	-	-	-	0%
71000	Compensation Expenses - Other	-	-	-	-	-	345	0%
	Total Employee Benefits and Other HR	9,783	9,283	10,381	9,383	9,786	96,193	83%
	Total Compensation Expenses	104,051	103,551	112,383	111,509	112,152	1,074,727	88%

							YTD Actual	
							w/ Budget	% of Budget
		Feb	Mar	Apr	May	Jun		
Advertising, Marketing and PR 72000								
72100	Website Expenses	500	500	500	500	500	2,800	47%
72200	Marketing Expenses	5,000	5,000	5,000	5,000	5,000	105,029	175%
72300	Marketing Campaigns	-	15,000	-	-	20,000	35,000	70%
72400	Dues, Subscriptions, & Recruitment	42	42	42	42	42	1,082	216%
72500	Marketing Collateral	167	167	167	167	167		
Total Advertising, Marketing and PR		5,709	20,709	5,709	5,709	25,709	144,746	122%
Professional Services 73000								
73100	Accounting and Audit Services	20,000	20,000	20,000	20,000	20,000	255,162	106%
73200	Legal Services	21,917	21,917	21,917	21,917	21,917	114,356	43%
73300	Consulting Services	8,083	8,083	8,083	8,083	8,083	117,125	121%
73400	Other Professional Services	-	-	-	-	-	940	0%
Total Professional Services		50,000	50,000	50,000	50,000	50,000	487,583	81%
Building, Leases and Equipment 74000								
74100	Rent - Office	7,250	7,250	7,250	7,250	7,250	88,628	102%
74200	Rent - Equipment	250	250	250	250	250	2,805	94%
74300	Building Repairs and Maintenance	83	83	83	83	83	1,195	120%
74400	Equipment Repairs and Maintenance	167	167	167	167	167	1,108	55%
74500	Utilities Expense	208	208	208	208	208	1,751	70%
74600	Janitorial Expense	375	375	375	375	375	4,395	98%
Total Building, Leases and Equipment		8,333	8,333	8,333	8,333	8,333	99,882	100%
Insurance Expense 75000								
75100	Directors & Officers Insurance	1,667	1,667	1,667	1,667	1,667	18,977	95%
75200	Property and General Liability Insurance	79	79	79	79	79	948	26%
75300	Crime Insurance	206	206	206	206	206	2,266	91%
75500	Cyber Insurance	-	-	-	-	-	-	0%
75500	Professional Liability Insurance	1,275	1,275	1,275	1,275	1,275	14,025	92%
Total Insurance Expense		3,227	3,227	3,227	3,227	3,227	36,216	82%
Office Expenses 76000								
75100	Supplies	1,000	1,000	1,000	1,000	1,000	13,546	113%
75200	Postage and Freight	375	375	375	375	375	3,044	68%
75400	Office Furniture and Equipment	417	417	417	417	417	6,476	130%
75500	Dues and Subscriptions	42	42	42	42	42	210	42%
76500	Document Storage & Destruction	83	83	83	83	83	636	64%
77500	Depreciation Expense - FF&E	295	295	295	295	295	3,538	98%

						YTD Actual						
						Feb	Mar	Apr	May	Jun	w/ Budget	% of Budget
Total Office Expenses						2,212	2,212	2,212	2,212	2,212	27,450	103%
Information, Tech and Communications 77000												
77100	Technology Hardware	2,500	2,500	2,500	2,500	2,500	16,701	56%				
77200	Software Expense	1,833	1,833	1,833	1,833	1,833	9,528	43%				
77300	Telephone / Internet / Security	1,667	1,667	1,667	1,667	1,667	16,572	83%				
77400	IT Services	39,667	39,667	39,667	39,667	39,667	454,097	95%				
77500	Depreciation Expense - IT	4,705	4,705	4,705	4,705	4,705	71,069	126%				
Total Information, Tech and Communications						50,372	50,372	50,372	50,372	50,372	567,967	94%
Travel Expenses 78000												
78100	Airfare	417	417	417	417	417	3,138	63%				
78200	Accommodations	208	208	208	208	208	1,018	41%				
78300	Auto and Parking	208	208	208	208	208	1,588	64%				
78400	Travel - Meals & Entertainment	208	208	208	208	208	2,156	86%				
78500	Non-Employee Travel	21	21	21	21	21	803	321%				
78000	Other Travel	21	21	21	21	21	111	44%				
Total Travel Expenses						1,083	1,083	1,083	1,083	1,083	8,814	68%
Other General and Administrative 79000												
79300	Taxes and Licenses	167	167	167	167	167	927	46%				
79500	Board Expenses	500	500	500	500	500	3,320	55%				
79000	Other General and Administrative	-	-	-	-	-	399	0%				
Total Other General and Administrative						667	667	667	667	667	4,646	58%
Total General and Administrative Expenses						225,654	240,154	233,986	233,112	253,755	2,452,031	90%

	Feb	Mar	Apr	May	Jun	YTD Actual w/ Budget	% of Budget
TOTAL EXPENSES	239,509	254,009	248,895	248,038	268,714	2,586,234	89%
Other Income (Expense)							
81000 Other Income	-	-	-	-	-	275	275%
82000 Other Expense	-	-	-	-	-	-	0%
Total Other Income (Expense)	-	-	-	-	-	275	39%
NET INCOME	-	-	-	-	-	-	0%
Monthly % of Admin Expenses	18.0%	18.9%	18.1%	18.1%	19.3%		
Cumulative % of Admin Expenses	15.4%	15.8%	16.1%	16.3%	16.5%		

NAHAC Funding Details

Cumulative Funds Available and Used through January 31, 2018

	(a) HHF Participation Cap (from the current HPA Amendment)	Cumulative used through 01.31.2018	Available funds
Principal Reduction Program (B1)	\$95,447,398.00	\$63,233,022.60	\$32,214,375.40
Second Lien Relief Program (B2)	\$16,495,339.00	\$6,865,505.36	\$9,629,833.64
Short Sale Acceleration Program (B3)	\$289,179.00	\$289,179.12	\$0.00
Mortgage Assistance Program (MAP) (B4)	\$43,043,410.00	\$31,670,104.57	\$11,373,305.43
MAPA (B5)	\$1,613,451.00	\$1,606,718.01	\$6,732.99
Reinstatement (B8)	\$14,111,197.00	\$799,485.59	\$13,311,711.41
Admin	\$25,247,676.00	\$20,335,311.60	\$4,912,364.40
Total	\$196,247,650.00	\$124,799,326.85	\$71,448,323.27

Estimated months of funding remaining through Dec. 31, 2020

35

Average monthly funding to use funds by Dec. 31, 2020

2,041,381

Treasury Draws Taken through December 31, 2017

<u>Date</u>	<u>Amount</u>
9/23/2010	2,600,000.00
4/25/2011	4,851,000.00
12/28/2011	4,851,000.00
5/31/2012	5,620,000.00
8/30/2012	14,170,000.00
12/26/2012	21,950,000.00
3/4/2013	20,000,000.00
5/6/2013	24,800,000.00
6/27/2014	13,207,869.00
12/27/2016	24,385,727.00
Total	136,435,596.00