AGENDA

A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST FOUNDATION
will be held at Municipal Plaza B Room
114 W Commerce St., San Antonio, TX 78205
and virtually via ZOOM:
https://us02web.zoom.us/j/84914768319?pwd=EnfxKPKKRu53f7plg3ixmMOdJ6CaKY.1
DIAL-IN NUMBER: 1-346-248-7799 MEETING ID: 849 1476 8319 PASSWORD: 079881
On Friday, August 19, 2022, beginning at 2:00 p.m.

NOTICE: *A quorum of the board of directors will be physically located at 114 W Commerce St., San Antonio, TX 78205 at 2:00 p.m. One or more of the Directors may attend this meeting by video conference pursuant to the requirements set forth in the Texas Open Meetings Act. An electronic copy of the agenda packet may be accessed at the San Antonio Housing Trust website under the CALENDAR/Board Meeting date page prior to the meeting.*

NOTICE: *This meeting of the Board, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, Sections 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Executive Director.*

1. Call to Order and Roll Call
2. Discussion and possible action to approve minutes of July 15, 2022
3. Public Comment – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters.
4. Presentation and possible action regarding the San Antonio Housing Trust Foundation, Inc. Audit for fiscal year ending September 30, 2021.
5. Sustainability and Universal Design Committee Update.
6. Briefing and discussion regarding the 5-year Strategic Plan objectives.
7. Briefing and discussion on the Fiscal Year 2023 Preliminary Budget.
8. The Board of Directors for the San Antonio Housing Trust Foundation may convene into Executive Session pursuant to Texas Government Code Section 551.071 Consultation with Attorney and 551.076 related to specific occasions for implementation of security measures related to information technology (IT) matters.
9. Adjournment.

Executive Session. The San Antonio Housing Trust reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.087 (economic development). *ANY ITEM DISCUSSED IN EXECUTIVE SESSION MAY BE ACTED ON IN OPEN SESSION*

Attendance by Other Elected or Appointed Officials: It is possible that members City boards, commissions and/or committees may attend the open meeting in numbers that may constitute a quorum. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of any other boards, commissions and/or

committees of the City, whose members may be in attendance in numbers constituting a quorum. These members of other City boards, commissions, and/or committees may not deliberate or take action on items listed on the agenda. [Attorney General Opinion – No. GA-0957 (2012)].

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretative services must be made 48 hours prior to this meeting. Please contact Nicole Collazo, for concerns or requests, at (210) 735-2772 or FAX (210) 735-2112.

San Antonio Housing Trust Foundation
Agenda Item 2

This item includes the approval of minutes from the **July 15, 2022**, meeting.

SAN ANTONIO HOUSING TRUST FOUNDATION

2022 OFFICIAL MEETING MINUTES

DATE: Friday, July 15, 2022

TIME AND PLACE: The San Antonio Housing Trust Foundation met in session at 3:39 p.m., via Zoom and in person at 100 W. Houston, San Antonio, Texas 78204.

PRESENT: Antoinette Brumfield, Councilwoman Teri Castillo, Eric Cooper, Jordan Ghawi, Rachell Hathaway, Mark Carmona, Jane Pacione, and Councilwoman Phyllis Viagran.

ABSENT: Councilwoman Adriana Rocha Garcia, Councilman Jalen McKee-Rodriguez, Councilman John Courage, and Marinella Murrillo.

STAFF/VISITORS PRESENT:
Pedro Alanis- Executive Director San Antonio Housing Trust Foundation INC.; Nicole Collazo- Director of Operations San Antonio Housing Trust Foundation INC.; Lauren Bejaran- Sr. Administrative Assistant San Antonio Housing Trust Foundation INC.; Ruben Lizalde- D3; Justin Renteria- D5; Ileana Sandoval- D9; Clarissa Rodriguez- Attorney DNRBZ; Summer Greathouse- Attorney Bracewell; Jason Arechiga- The NRP Group; Mark Tolley- Mission Development Group; Keith Newcomb- San Antonio Alternative Housing Corporation; Andrew Poppoon- LPDC.

1. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order by Vice President Jane Paccione and the roll was called by Lauren Bejaran.

1. **APPROVAL OF BOARD MEETING MINUTES FOR MAY 25, 2022.**
   Jordan Ghawi motioned, and Rachell Hathaway seconded for approval of the May 25, 2022, minutes with the noted corrections.
   AYES: 7
   NAYS:
   ABSTAINED:
   THE MOTION PASSED.

2. **CITIZENS TO BE HEARD-INTERESTED SPEAKERS WILL HAVE 3 MINUTES EACH TO ADDRESS THE BOARD ON AGENDA ITEMS OR HOUSING POLICY RELATED MATTERS; A TOTAL OF 15 MINUTES WILL BE PROVIDED.**
   NONE.
   NO ACTION WAS TAKEN.

3. **BRIEFING AND DISCUSSION ON THE FISCAL YEAR 2023 BUDGET TIMELINE.**

   Pete briefed to the board about the updates SAHT staff has for the FY 2023 Budget Timeline. Currently, the SAHT executive team is discussing operational expenses and revenues forecasted for FY 2023. Staff plans to prepare the Preliminary Budget by July 29, 2022. The draft budget will then be presented to the Finance and Audit Committee the second week of August 2022 for the committee to review. Staff will incorporate any changes and recommendations before presented the final budget to the full board on September 16, 2022. Once the budget is adopted, it will become effective October 1, 2022. Pete stated

that Item 3 is a briefing and requires no action. Vice President Jane Paccione opened the floor up for discussion. No discussion took place.

NO ACTION TAKEN.

4. BRIEFING AND DISCUSSION REGARDING THE 5-YEAR STRATEGIC PLAN OBJECTIVES.

Pete briefed to the board about updates SAHT Staff has regarding the 5-Year Strategic Plan. SAHT's Strategic Plan began in April 2022 with Review of Plans and Reports such as, Strategic Housing Implementation Plan (SHIP), Community Bond Committees' Report, Growing Together: Anti-Displacement Agenda for San Antonio, UT Law Report on PFCs, and NALCAB Report on SAHT. Throughout May 2022, Mission Matters continued with interviews and focus groups with board members, city representatives, community housing advocates, community housing development organizations (CHDOs), and housing developers. Mission Matters concluded in June with the survey that was distributed to more than 90 stakeholders which resulted in 30 responses.

Mission Matters prepared a working document outlining Strategic Objectives sourced from community input through the interviews, surveys, and focus groups. Out of this process, SIX Strategic Objectives emerged: Objective 1: Preservation of Affordable Multi-Family Rental Housing; Objective 2: New construction of Affordable Housing for targeted populations; Objective 3: Support Neighborhood Preservation Efforts; Objective 4: Clarify SAHT's role in the Local Housing System; Objective 5: Invest in SAHT's Capacity to Grow Objective 6: Engage in Advocacy at Local, State, and Federal Level. Through the objective process, SAHT staff researched a variety of strategies that can be used in each objective.

Objective 1, The Preservation of Affordable Multi-Family Rental Housing, includes the following: Assess, Prioritize, & Develop preservation plans for a risk properties, Partner with Non-Profits to acquire and preserve smaller Multifamily properties, Acquire and Rehab Apartments under PFC for Permanent Affordability, Provide gap financing for preservation of Apartments serving between 30%-80% AMI tenants, use SAHT Funding for "Green Grants' to non-profits, and Establish Multifamily Rehabilitation Criteria that promotes Universal Design, Sustainability and Increased Accessibility. Objective 2, New construction of Affordable Housing for the targeted populations, includes the following: Prioritizing public land to build affordable housing, Utilize COSA Displacement Tool, Continue to partner with Developers on LIHTC- Lower Fees for Non-Profits, Identify and Acquire property suitable for Redevelopment, Engage with Continuum of Care Providers to create Permanent Supportive Housing (PSH), Maintain Cash Resources to fund PSH related Operational/Support Reserves, and Establish Multifamily Criteria to promote site selection, equity, digital access, universal design, accessibility, and sustainability features.

Objective 3, Support Neighborhood Preservation Efforts, includes the following: identify and prioritize funding for Community Based Partners for Land Trusts, increase organizational capacity to implement Land Trust program, and continue to prioritize infill housing and acquisition programs. Community Land Trusts are composed of board members from the community that hold and trust all the properties to ensure they are rented or owned by low-income families. Objective 4, Clarify SAHT's role in the Local Housing System, includes the following: coordinate funding efforts with COSA, provide funding opportunities for non-profit housing initiatives in line with SHIP, adopt/publish criteria for programs and funding policies, partner w/ affordable housing developer to apply for COSA funding, create new initiatives that can be utilized with City Bond funding, continues Public Engagement thru transparency, awareness, and education, conduct research and support for studies & assessments at COSA request, and provide timely website updates on projects and be responsive to information on financial structures when requested.

Objective 5, Invest in SAHT's Capacity to Grow, includes the following: increase staff capacity, establish Financial Investment Policy, utilize Corpus for Guarantees or Reserves for SAHT initiatives, recommend COSA provide an annual stream to support/grow the Trust Fund, pursue SAHT owned housing opportunities to build long term community equity, and leverage existing revenue streams to capitalize funding for future SAHT initiatives. Objective 6, Engage in Advocacy at Local, State, and Federal Level, includes the following: Executive Director should continue to become more active in educating policy makers at all levels of government and increase organizational capacity to prepare educational materials for the community and policy makers. Finance and Audit Committee recommended moving forward to full board for presentation and feedback. Once feedback is received from the board, SAHT Staff will present the Strategic Plan Draft to the Governance and Policy committee before presenting the draft to the board again on August 19th board meeting. Staff anticipates final board approval on September 16th board meeting.

Jordan Ghawi requested to see a breakdown of the respondents, who participated in the surveys, from Mission Matters. Pete Alanis stated he would send Jordan a list of the respondents who participated in the surveys.

Mark Carmona stated he will make sure that the City of San Antonio's Public Education Campaign efforts are aligning with the Housing Trust in Objective 4: Clarify SAHT's role in the Local Housing System.

Councilwoman Phyllis Viagran recommends staff to research all 3rd parties or staff hired on by SAHT aligns well with the Strategic Plan and the goals set out by the Strategic Plan.

Councilwoman Teri Castillo asked if there could be another objective added to the Strategic Plan titled "Preserve Public Housing Units". Pete stated the objective suggestive by Councilwoman Teri Castillo falls under Objective 1: Preservation of Affordable Multi-Family Rental Housing. Councilwoman Teri Castillo asked if Objective 1 could include the terms "Public Housing". Pete stated he would bring the recommendation to Mission Matters for review.

Jordan Ghawi recommended board members be trained to engage in advocacy at local, state, and federal level to become more active in educating policy makers at all levels of government. Eric Cooper expressed agreement of Jordan Ghawi's recommendation on training board members to engage in advocacy.

NO ACTION TAKEN.

5. ADJOURNMENT

Vice President Jane Paccione adjourned the meeting. There being no further business, the meeting adjourned at 4:04 p.m.

San Antonio Housing Trust Foundation
Agenda Item 3

Public Comment

Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters; a total of 15 minutes will be provided. Instructions to sign up for Public Comment via Zoom video conference.

To sign up for Public Comment please call 210-735-2772 24 hours prior to this meeting to place your name on the list.

San Antonio Housing Trust Foundation
Agenda Item 4

Presentation and possible action regarding the San Antonio Housing Trust Foundation, Inc. Audit for fiscal year ending September 30, 2021.

Summary:
The San Antonio Housing Trust Foundation released a Request for Proposals on July 16, 2021. In September 2021, the Board approved the selection of Leal and Carter, P.C. for a two-year period to complete the annual independent audit of the San Antonio Housing Trust Foundation, the San Antonio Housing Trust Finance Corporation, and the San Antonio Housing Trust Public Facility Corporation.

The auditor shall provide the board with a presentation.

Recommendation:
The ***Finance & Audit Committee*** recommended moving forward to the full board the FY 2021 SAHT Foundation Inc. Audit as presented.

Attachment:
FY 2021 SAHT Foundation Audit

2021 SAHT Foundation Audit

SAN ANTONIO HOUSING TRUST FOUNDATION, INC.
(A Component Unit of the City of San Antonio, Texas)

SAN ANTONIO, TEXAS

FINANCIAL STATEMENTS
(With Independent Auditors' Report Thereon)

SEPTEMBER 30, 2021

SAN ANTONIO HOUSING TRUST FOUNDATION, INC.
(A Component Unit of the City of San Antonio, Texas)

Table of Contents

Page

Independent Auditors' Report..... 1-2

Management's Discussion and Analysis..... 3-6

Statement of Net Position 7

Statement of Revenues and Expenses and Changes in Net Position 8

Statement of Cash Flows 9-10

Notes to the Financial Statements..... 11-19

LEAL & CARTER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Frank J. Leal, CPA
Roberto Carter, CPA

16011 University Oak
San Antonio, Texas 78249
Telephone:(210) 696-6206
Fax:(210) 492-6209

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
San Antonio Housing Trust Foundation, Inc.
San Antonio, Texas

We have audited the accompanying financial statements of the business-type activities of the San Antonio Housing Trust Foundation, Inc. (SAHTF), a component unit of the City of San Antonio, Texas, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise SAHTF'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 an opinion 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. 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 opinion.

Opinion

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 SAHTF as of September 30, 2021, and the respective changes in its financial position and its cash flows 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 on pages 3 through 6 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.

Seal & Carter, P.C.

San Antonio, Texas
July 18, 2022

San Antonio Housing Trust Foundation, Inc.
(A Component Unit of the City of San Antonio, Texas)

Statement of Net Position

September 30, 2021

ASSETS	
Current Assets	
Cash and Cash Equivalents - Unrestricted (Note 2)	$ 4,139,530
Cash and Cash Equivalents - Restricted (Note 2)	99,576
Due from SAHTFC (Note 9)	21,132
Due from SAHTPFC (Note 9)	22,546
Prepaid Expenses	7,013
Total Current Assets	4,289,797
Non-current Assets	
Loans receivable (Note 4)	2,220,155
Mortgage Loans receivable, net of allowance of $152,177 (Note 4)	108,732
Interest receivable	138,797
Capital Assets:	
Land (Nondepreciable)	30,000
Buildings and improvements	177,575
Furniture and equipment	69,046
Accumulated depreciation	(87,329)
Total capital assets, net of accumulated depreciation	189,292
Equity Investment (Note 6)	336,192
Total Non-Current Assets	2,854,371
Total Assets	7,144,168
LIABILITIES AND NET POSITION	
Liabilities:	
Current Liabilities	
Accounts Payable	14,984
Accrued expenses	16,717
Due to San Antonio Housing Trust (Note 7)	331,281
Agency Funds/Due to SAHTPFC (Note 9)	744,083
Prepaid Deposits - (Note 8)	65,621
Total current liabilities	1,172,686
Total liabilities	1,172,686
Net Position:	
Invested in Capital Assets, Net of related debt	189,292
Restricted	30,886
Unrestricted	5,890,101
Total net position	$ 6,110,279

See accompanying notes to financial statements.

San Antonio Housing Trust Foundation, Inc.
(A Component Unit of the City of San Antonio, Texas)

Statement of Revenues, Expenses and Changes in Net Position

Year Ended September 30, 2021

Operating Revenues:	
Administrative Fees	$ 892,898
Contributions from the City of San Antonio - Affordable Housing Programs	1,660,322
Grants - Risk Mitigation	6,500
Grants - Post Purchase Counseling	1,946
Interest on Loans	52,358
Miscellaneous Income	11,215
Total Operating Revenues	2,625,239
Operating Expenses:	
Grants to Others - Affordable Housing Programs	1,829,690
Grants to Others - Risk Mitigation	107,734
Disbursement to San Antonio Housing Trust	331,281
Advertising	4,275
Audit	16,410
Auto expense	6,550
Contract bookkeeping	11,400
Depreciation	5,479
Employee Benefits	73,685
Meals and entertainment	429
Insurance	68,545
Membership dues and licenses	2,051
Occupancy	7,434
Office supplies, printing, postage	6,997
Payroll expenses	366,739
Professional fees	80,623
Rental of equipment and storage	4,621
Repairs and maintenance	27,510
Subscriptions	5,203
Telephone	4,585
Travel and training	2,421
Other expenses	100
Loss on investment in partnership	21,316
Allowance for uncollectible account expense	134,434
Total Operating Expenses	3,119,512
Operating Income (Loss)	(494,273)
Nonoperating Revenues and (Expenses):	
Interest income	414
Interest expense	(98)
Net Nonoperating Revenues and (Expenses):	316
Income (loss) before capital contributions and transfers	(493,957)
Increase (Decrease) In Net Position	(493,957)
Net Position at the Beginning of Year	6,604,236
Net Position at the End of Year	$ 6,110,279

See accompanying notes to financial statements.

San Antonio Housing Trust Foundation
(A Component Unit of the City of San Antonio, Texas)
Statement of Cash Flows

For the Year Ended September 30, 2021

Cash Flows From Operating Activities:	
Administrative Fees	$ 1,302,537
Contributions from the City of San Antonio	1,660,322
Grants - Risk Mitigation	93,180
Grants - Post Purchase Counseling	1,946
Interest on Loans	38,903
Payments to suppliers	(1,747,127)
Payments to employees	(423,707)
Principal collections on notes receivable	328,521
Principal collections on mortgages receivable	8,989
Disbursement to San Antonio Housing Trust	(186,558)
Net cash provided (used) by operating activities	1,077,006
Cash Flows From Investing Activities	
Interest income	417
Interest expense	(98)
Loss on investment in partnership	21,316
Acquisition of Equipment	(21,681)
Net cash provided (used) by investing activities	(46)
Net Increase (Decrease) in Cash and Cash Equivalents	1,076,960
Cash and Cash Equivalents at beginning of year	3,162,146
Cash and Cash Equivalents at end of year	$ 4,239,106

See accompanying notes to financial statements.

San Antonio Housing Trust Foundation
(A Component Unit of the City of San Antonio, Texas)
Statement of Cash Flows

For the Year Ended September 30, 2021

Reconciliation of Operating income (loss) to net cash used in operating activities:		
Operating income (loss)	$	(496,169)
Adjustments to reconcile operating income (loss) to net cash provided		
Depreciation Expense		5,479
Allowance for uncollectible accounts		134,434
Changes in operating assets and liabilities -		
Contracts receivable		86,680
Interest receivable		(22,774)
Due from San Antonio Housing Trust Finance Corporation		73,563
Due from San Antonio Housing Trust Public Facility Corporation		336,076
Prepaid Expenses		585
Loans receivable		328,521
Mortgage receivable		8,989
Accounts payable		9,330
Accrued expenses and liabilities		16,717
Due to San Antonio Housing Trust		144,723
Due to San Antonio Housing Trust Public Facility Corporation		385,321
Prepaid Deposits		65,531
Net cash provided (used) by operating activities	$	1,077,006
Cash and Cash Equivalents consist of:		
Cash - unrestricted	$	4,139,530
Cash - restricted		99,576
Total Cash and Cash Equivalents	$	4,239,106

See accompanying notes to financial statements.

San Antonio Housing Trust Foundation, Inc
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies

Organization

San Antonio Housing Trust Foundation, Inc. ("SAHTF"') is a nonprofit organization and component unit of the City of San Antonio (the City), incorporated under the laws of the State of Texas on January 30, 1990. The organization's primary purpose is to support charitable, educational and scientific undertakings, specifically to provide housing for low and middle-income families. All property, assets, profits and net revenue of the Foundation are dedicated irrevocably to charitable, educational and scientific purposes. Additionally, on November 1, 1990, the City passed an ordinance stating that the SAHTF is responsible for the administrative support of the operations of the City of San Antonio Housing Trust (the Trust), and under a separate City ordinance passed on September 26, 1991, the SAHTF was designated and approved to be the administrative and fiscal agent of the Trust for the disbursement of awards of Trust assistance to sponsors of affordable housing projects and programs.

The Board of Directors of the SAHTF consists of eleven persons duly appointed by the City Council of the City of San Antonio to serve on the City of San Antonio Housing Trust Board of Trustees. Although the SAHTF is a nonprofit organization, it has prepared its financial statements in accordance with the governmental accounting and reporting provisions of the GASB, based upon this relationship with the City of San Antonio. Such relationship requires that SAHTF's separately issued financial statements be based upon GAAP as promulgated by GASB Statements and Pronouncements. Under the provisions of GASB Statement 34, the SAHTF has prepared its financial statements as a special purpose local government involved in business-type (enterprise/proprietary fund) activities. Under the business-type activity reporting model of the GASB, a governing body decides that periodic determination of revenues earned, expenses incurred, and /or net income earned is most appropriate for capital maintenance, public policy, management control and accountability.

Basic Financial Statements

As a special purpose government involved primarily in business-type activities, SAHTF's basic financial statements consist of the following:

- Management's Discussion and Analysis
- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to Financial Statements

San Antonio Housing Trust Foundation, Inc
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

A. Measurement Focus, Basis of Accounting and Financial Statement Presentation

SAHTF meets the definition of a governmental entity, as set forth in the American Institute of Certified Public Accountants' Audit and Accounting Guide, State and Local Governments. The financial statements of SAHTF are prepared using the accrual basis of accounting with the economic resources measurement focus as prescribed by GASB. As SAHTF operates as a business-type activity, applying applicable GASB pronouncements, under this approach all assets, deferred outflows of resources, liabilities and deferred inflows of resources of are reported on the statement of net position; revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 revenue of SAHTF is revenue from administrative fees earned (see Note 9 for further details). SAHTF also receives interest on loans, grants and contributions from the City. Operating expenses for enterprise funds include grants; disbursements to the Trust for specified note principal and interest amounts; payroll and related expenses; and other administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates (depreciation, allowance for bad debts) and assumptions that affect the reported amounts of 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. Management estimates the allowance for bad debt based on its review of the types of loans outstanding and performance of specific loans.

Tax Exempt Status

SAHTF is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Management is not aware of any tax positions that would have a significant impact on its financial position. SAHTF is subject to routine examinations by taxing authorities; however, there are currently no examinations for any tax periods in progress. Its federal tax returns for the last 3 years remain subject to examination.

San Antonio Housing Trust Foundation, Inc
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, SAHTF considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents

Interest Income - Interest income is recognized as interest is accrued on loans bearing interest.

Receivables & Allowance for Doubtful Account- All receivables are reported net of estimated uncollectible amounts. As of September 30, 2021, an allowance for doubtful accounts has been established by management in the amount of $152,177. This amount includes an allowance of $134,434 for the total amount of mortgages due under the down payment assistance loan program which are not expected to be repaid.

Bad Debt Expense - SAHTF writes off a loan once it has been determined to be uncollectible, which is determined by various factors such as first-lien foreclosure without sufficient funds to pay SAHTF in a second-lien position, bankruptcy or likelihood of bankruptcy, failure to pay and inability to pay, or all other reasonable means of collection have been pursued unsuccessfully.

Capital Assets - Buildings and equipment are recorded at cost for purchased assets and fair market value as of the date of donation for donated assets. Depreciation is computed using the straight- line method over the useful lives of the assets as follows: Furniture, Fixtures and Equipment – 3 to 7 years; Building & Building Improvements – 39 years; and Other Improvements – 7 to 15 years

Net position - Net position represents the difference between assets less liabilities, and is divided into three components as follows:

- Invested in capital assets, net of related debt – consist of historical cost of capital assets less depreciation and less any remaining debt used to finance those assets.

- Restricted net position – net position restricted by the creditors, by State enabling legislation, by grantors (both Federal and State), and by other contributors. Contributions received by the City for the Housing Incentive Program that were not spent as of September 30, 2021 in the amount of $30,886 are being reported as restricted net position.

- Unrestricted – all other net position is reported in this category.

SAHTF applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

San Antonio Housing Trust Foundation, Inc
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 2 – Deposits

Cash Balances in Excess of FDIC Insured Limits

The Foundation's cash balances in excess of the FDIC insured limits as of September 30, 2021 were collateralized by pledged securities. Additionally, the SAHTF is reporting $99,576 in cash for use in City programs as restricted.

Note 3 - Concentration of Credit Risk

SAHTF's mortgage receivables are typically secured by a second-lien on the borrower's home. In addition, SAHTF's notes receivable are concentrated in the low-income housing sector to further SAHTF's purpose. These are considered concentrations of credit risk.

Note 4 - Loans & Mortgages Receivable

Loans receivable are notes due from various housing projects and are due in installments at various dates through 2035. These notes are collateralized by deeds of trust on the properties. Annual interest rates on the notes range from 0% to 6%.

Mortgages receivable represent $10,000 second-lien mortgages made to qualifying new homebuyers and various other MRB/MCC down payment or closing costs assistance loans. The $10,000 loans are due in 360 monthly (30 years) installments with varying maturity dates through 2029. The down-payment assistance loans are due in 60 monthly installments with payments starting after the first mortgages are paid. The notes are collateralized by deeds of trusts on the homes being purchased. Annual interest rates on these notes are 3.5% on the $10,000 second- lien mortgages and 0% on the down-payment assistance loans.

Other second-lien mortgage loans were funded between 1999 and 2003 from the George Gervin Youth Center funding round. These loans carry a 3% annual interest rate with principal and interest due over 30 years.

In 2013 the Organization loaned VDC Babcock, LP $750,000 at an interest rate of 4.4% annually. The principal amount and accrued interest are due and payable in annual installments on the first day of each April, beginning April 1, 2014 and continuing on the first day of each April thereafter until the expiration of forty (40) years, being April 1, 2057. The Organization shall apply each annual payment first to accrued interest and the remainder to the principal amount. As of September 30, 2021 the balance due to SAHTF is $168,007.

San Antonio Housing Trust Foundation, Inc
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 5 - Capital Assets

	Beginning 10/01/2020	Acquisitions/ Increases	Dispositions/ Decreases	Ending 9/30/2021
Capital assets, not being depreciated:				
Land	$ 30,000	$ -	$ -	$ 30,000
Total capital assets not being depreciated	30,000	-	-	30,000
Capital assets being depreciated:				
Buildings and improvements	162,558	15,016	-	177,574
Equipment and furniture	62,382	6,665	-	69,047
Total assets being depreciated	224,940	21,681	-	246,621
Less accumulated depreciation:				
Buildings and improvements	19,469	5,410	-	24,879
Equipment	62,382	69	-	62,451
Total accumulated depreciation	81,851	5,479	-	87,330
Total capital assets being depreciated, net	143,089	16,202	-	159,291
Capital assets, net	$ 173,089	$ 16,202	$ -	$ 189,291
Depreciation expense				$ 5,479

Note 6 - Equity Investment

The equity investment is an investment in a limited partnership, as a project of the Foundation. The Foundation is a limited partner in The Exchange Group - 1992, LTD. (the Exchange Building) which was formed April 27, 1992. This investment is carried on the equity basis of accounting based on the capital account balance reflected on the partnership's tax return filed for the year ended December 31, 2020, and is reported as a non-current asset on accompanying Statement of Net Position of the SAHTF.

Note 7 - Due to San Antonio Housing Trust

In FY 2005, San Antonio Housing Trust (the "Trust") determined that each year SAHTF will set aside the interest received on notes funded by the Trust up to 1% of the loan portfolio balance due for the purpose of funding any future loan losses. The Executive Director can determine whether additional funds are available to fund above the 1% amount. The remaining interest and principal payments received each year are to be paid to the Trust. An amount of $331,281 was accrued for the year ending September 30, 2021, and is payable to the Trust as of September 30, 2021.

San Antonio Housing Trust Foundation, Inc
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 8 – Prepaid Deposits

On December 2014 the Organization entered into an agreement with the City of San Antonio (COSA) to serve as the escrow agent between COSA and San Antonio Affordable Housing, Inc. for the Renew SA Acquisition and Development project. The Organization received $670,000 to establish the escrow fund in accordance with the terms of the escrow agreement. As of September 30, 2021 a balance of $90 remains in the escrow fund and is included in Prepaid Deposits on the accompanying Statement of Net Position, along with prepaid deposits for TCAM Asset Management Fees in the amount of $65,531.

Note 9 - Related Party Transactions

San Antonio Housing Trust (the "Trust") and SAHTF board of directors were comprised of the same board members during the year ended September 30, 2021 although there are no requirements by the organizations' by-laws that the board members must be identical. Additionally, SAHTF shares a common board of directors and the same Executive Director with San Antonio Housing Trust Public Facility Corporation (SAHTFPFC) and San Antonio Housing Trust Finance Corporation (SAHTFC), for the year ended September 30, 2021.

SAHTF has an amount due to the Trust, see Note 7.

SAHTF earned administrative fee income from San Antonio Housing Trust Public Facility Corporation (SAHTPFC) in the amount of $666,516, with $22,546 due at year end. SAHTF also earned administrative fee income in the amount of $226,382 from San Antonio Housing Trust Finance Corporation (SAHTFC), with $21,132 due at year end.

In FY 2020, SAHTF became an agent of funds for related parties SAHTPFC and SAHTFC due to the related parties' bank accounts being converted into "deposit only" accounts. As of year-end September 30, 2021, SAHTF held funds for SAHTPFC in the amount of $744,083.

Note 10 - Deferred Compensation Plan

San Antonio Housing Trust Foundation, Inc. offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, which is available to all Foundation employees, permits them to defer a portion of their compensation until termination, retirement, death or unforeseen emergency. The Foundation's contributions to the plan totaled $39,982 for the year ended September 30, 2021.

San Antonio Housing Trust Foundation, Inc
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 11 – Commitments and Contingencies

Agreements for Foundation Assistance - During FY 2021, Agreements for Foundation Assistance were executed between SAHTF and agencies authorized to receive funding by SAHTF Board Resolution. These agreements contained terms under which the funds would be disbursed. As of September 30, 2021, some of the awards were not disbursed due to certain conditions remaining to be fulfilled. Accordingly, these balances are being disclosed as commitments. A summary of the agencies, award amounts, amounts paid as of year-end and amounts remaining to be paid follows:

		As of September 30, 2021	
Agency	**Award Amount**	**Amount Paid**	**Commitment**
Housing First Community Coalition	$1,093,000	$ -	$1,093,000
Esperanza Community Land Trust	$ 300,000	$ 100,000	$ 200,000
Our Casas Resident Council	$ 239,340	$ -	$ 239,340
Habitat for Humanity	$ 200,000	$ 100,000	$ 100,000

Note 12 – COVID-19 Financial Statements Impacts

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The extent of the impact of COVID-19 on OUR SA has been little to non-existent to the valuation of its inventory. OUR SA will continue to monitor in relation to its contracts and agreements with developers as those have been impacted by delays potentially both in financing and development. The accompanying financial statements include no adjustments relating to the effects of this pandemic.

San Antonio Housing Trust Foundation, Inc
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

Note 13 – Subsequent Events

Management has evaluated subsequent events through July 18, 2022, the date the financial statements were available to be issued and noted the following:

Professional Services Contract with the City of San Antonio – A professional services contract for the "San Antonio Housing Trust Administration and Staffing" project was executed by the SAHTF and the City of San Antonio with the term of the agreement beginning on October 1, 2021, or when the approved program statement and budget are received by the City, whichever occurs later. The FY 2022 Program Work Statement and Scope of Work attached to the agreement states that the funding plan under the contract is for Neighborhood & Housing Services Dept. Payment Assistance Program up to $970,000.

Second Renewal, Modification and Extension Promissory Note and Deed of Trust (Modification) - On March 1, 2022, a Modification was executed regarding a promissory note with an original date of November 14, 2006 and a first extension date of November 1, 2016, in the original amount of $150,000. In consideration of such Modification, the maker of the promissory note affirms liability for payment of the note and agrees to the modification and promises to pay SAHTF, the holder of the note, the present unpaid balance of the note together with interest as specified. The balance of the principal in the Modification is $93,000.

Mortgage Forgiveness for Six Single-family Loans - On May 25, 2022, the SAHTF Board authorized the forgiveness of six single-family loans owned by the San Antonio Housing Trust Foundation. The following are the details of these notes according to the related resolution:

Record Identifier	Record Type	Original Loan Amount	Original Origination Date	Loan End Date	Balance at Report End Date
1449FD	1st lien residential - Escrow	$50,294	40,026	47,788	$32,357
1450FD	1st lien residential - Escrow	32,870	39,141	50,192	35,030
1475FD	1st lien residential - Escrow	22,214	43,210	50,272	27,880
1411FD	2nd lien residential	10,000	35,803	46,784	2,795
1411FD2	2nd lien residential	10,000	35,537	46,419	1,946
1411FD3	2nd lien residential	10,000	35,492	45,641	1,019
TOTALS		$85,084			$68,670

San Antonio Housing Trust Foundation
Agenda Item 5

Sustainability and Universal Design Committee Update

CW Teri Castillo, Jane Paccione, Rachell Hathaway, Trent Tunks, Charles Morris, Christopher Salas, Traci Lewand, Shelia Brown, Andre Greene, Todd Hargroder, Susan Garza, Scott Ackerson, Adam Martin, Ryan Baldwin, Jason Arechiga, Deborah Scharven

Summary:
The *Sustainability and Universal Design Committee* met on May 26th, June 24th, August 4th, and August 15th with a goal of developing sustainability and universal design standards recommendations for the San Antonio Housing Trust multifamily activities.

In the May 26th meeting, the group initially met to discuss the charge of the committee, gain member perspectives, discuss how the group wanted to proceed in future meetings.

In June, the *Sustainability and Universal Design Committee* received two presentations from local non-profits that have expertise in these two fields: Disability San Antonio & Build San Antonio Green.

Disability San Antonio presented on the 8 goals of universal design, while discussing the differences between universal design, visit-ability, and accessibility. The eight goals of UD are:

1. Body Fit
2. Comfort
3. Awareness
4. Understanding
5. Wellness
6. Social Integration
7. Personalization
8. Cultural Appropriateness

Build San Antonio Green to discuss their certification program (designed for SA's Climate) that results in at least 10% more efficient than required by code, requires 3rd party verifications, lowers operating costs via energy & water savings, allows greater resident comfort, increases Indoor Air Quality, and promotes product durability. The SAHT has previously partnered on 1,536 LIHTC units that achieved a BSAG Certification Level.

- Cevallos Lofts
- Woodlawn Ranch
- Masters Ranch
- Freedom Hills
- Majestic Ranch (Solar PV off-sit)
- Alsbury Farms (Solar PV on-site & 1st Level 3 MF Project)

SAHT staff also hired the **Kelsey**, a San Francisco based non-profit developer who developed Team to provide our committee with three 90-minute professionally *facilitated* sessions focusing on:

- Learning how and why the *Kelsey Design Standards* were created
- Learning how and why the *Kelsey Design Standards* are being used by housing designers, developers, and municipalities
- Understand the use cases for the *Kelsey Design Standards* including new construction, adaptive reuse, and rehabilitation
- Understand how the *Kelsey Design Standards* would impact residents with various needs
- Demonstrate how San Antonians with different access needs would benefit from specific elements of

the *Kelsey Design Standards*

- Discuss the intersection of between health/wellness, sustainability, and disability inclusion by highlighting elements within the *Kelsey Design Standards* to collectively accomplish these goals
- Identifying the most important elements of the *Kelsey Design Standards* to achieve SAHT's goals
- Discuss and consider multi-family design or operational elements currently not part of the *Kelsey Design Standards* that should be included in SAHT's design goals

San Antonio Housing Trust Foundation
Agenda Item 6

Briefing and discussion regarding the 5-year Strategic Plan objectives.

Summary:
Mission Matters, our Strategic Planning Consultant outlined six strategic objectives sourced from community input through the interviews, surveys, and focus groups at our July 15, 2022, meeting. Feedback was received and staff has worked with Mission Matters to improve on the strategic objectives, key results, and supporting strategies. We have also prepared our beliefs, values, and vital measures.

Statement of Purpose
The primary purposes and goals of this Trust are to provide additional and continuing housing opportunities for low- and moderate-income families; to promote the public health, safety, convenience, and welfare by mitigating the extent to which San Antonio's low- and moderate-income households are unable to afford decent, safe and sanitary housing within the City of San Antonio; and to revitalize neighborhoods through appropriate housing activities.

Mission
The purpose of the San Antonio Housing Trust is to create and preserve housing that is affordable, accessible, attainable, and sustainable to San Antonio residents; and to support community development efforts that build and sustain neighborhoods, empower residents, and provide positive equitable outcomes.

Beliefs
- Housing is a human right.
- Housing should be affordable and attainable for persons at all income levels.
- Housing should be designed to accommodate persons with all types of body types and abilities.
- Housing should limit the impact on our environment and be resilient to changing climate.

Core Values
- **Compassion** - Our empathy toward our residents leads us into action
- **Equity**: We strive for fairness and justice as we create housing opportunities
- **Innovation** - We bring a mindset of continuous improvement to all our work
- **Agility** -We are flexible in our approach, bringing responsive and dynamic solutions
- **Integrity** - We affirm there is strength in honesty and transparency

Objectives
1. Clarify SAHT's role in the Local Housing System
2. Facilitate Preservation of Affordable Multi-Family Rental Housing
3. Finance New Construction of Affordable Multi-Family Rental Housing
4. Support Neighborhood Preservation Efforts
5. Invest in SAHT's Capacity to Grow
6. Engage in Advocacy at Local, State, and Federal Level

Objective 1: Clarify SAHT's role in the Local Housing System

5 Key Results (where we want to be in 5 years):

- Board is clear & supportive of key role(s) Trust plays to achieve stated purposes
- Entities of the Trust have a shared identity
- Trust is a thriving partner within the local housing ecosystem
- Public confidence in the trust is rebuilt thru improved communication & transparency
- Role of Board is elevated thru committee involvement and decision-making input

6 Supporting Strategies:

- Adoption of a Compass
- Participation in County-Wide Housing System Analysis
- Solicit stakeholder Input on Ongoing Basis
- Raise awareness of efforts and success thru improved PR, education & transparency
- Be intentional about how Trust leverages voices of Board, Stakeholders, & Advocates
- Develop, adopt, & publish criteria for programs and funding policies

Objective 2: Facilitate Preservation of Affordable Multi-Family Rental Housing

3 Key Results (where we want to be in 5 years):

- Board is clear & supportive of key role(s) Trust plays to achieve stated purposes
- Entities of the Trust have a shared identity
- Trust is a thriving partner within the local housing ecosystem
- Public confidence in the trust is rebuilt thru improved communication & transparency
- Role of Board is elevated thru committee involvement and decision-making input

7 Supporting Strategies:

- Adoption of a Compass
- Participation in County-Wide Housing System Analysis
- Solicit stakeholder Input on Ongoing Basis
- Raise awareness of efforts and success thru improved PR, education & transparency
- Be intentional about how Trust leverages voices of Board, Stakeholders, & Advocates
- Develop, adopt, & publish criteria for programs and funding policies

Objective 3 - Finance New Construction of Affordable Housing for the Targeted Populations

3 Key Results (where we want to be in 5 years):

- Made meaningful contributions towards 5-year SHIP MF New Construction/PSH Goals
- Improvements made to MF New Construction Programs
- Establishment of Land Banks to acquire land impacting <60% AMI (Rental) <80% (Owner)

9 Supporting Strategies:

- Utilize COSA Displacement Impact Assessment Tool
- Partner to create LIHTC for targeted populations
- Lower required fees for nonprofit development partners
- Engage with Continuum of Care providers & Non-Profits on PSH
- Maintain SAHT cash resources to fund Operation/Supportive Services Reserves for PSH

- Establish MF New Construction criteria promoting site selection, equity, digital access, tenant protections, increased accessibility, universal design, and sustainability features
- Prioritize use of publicly owned land to build permanent affordable housing
- Identify and acquire property suitable for future redevelopment (Inclusive Housing, MF Land Trusts, or PSH
- Leverage SAHT funding for "Green or UD" Grants

Objective 4 - Support Neighborhood Preservation Efforts

3 Key Results (where we want to be in 5 years):

- Made meaningful contributions towards 5 year SHIP MF Homeownership Preservation
- Establish two community land trusts or community coops to prevent displacement & support homeownership (up to 120% AMI)

5 Supporting Strategies:

- Prioritize community-based partners interested in establishing CLT in communities at risk of displacement
- Consider increasing organizational capacity to implement SAHT Single Family Land Trust impacted by our supported development
- Prioritize infill housing and acquisition/rehab programs for targeted populations
- Leverage CLT activities with City sponsored rehab efforts
- Promote SF Infill Housing For-Sale Housing

Objective 5 - Invest in SAHT's Capacity to Grow

6 Key Results (where we want to be in 5 years):

- Identify annual stream of additional corpus investment to grow Trust Fund
- Establish Financial & Investment Policy
- Increase staff capacity & expertise to achieve 5 Year Plan Objectives
- Develop staff training plans
- Create a succession plan
- Adopt an organizational operating system evidenced by setting and monitoring goals

4 Supporting Strategies:

- Utilize Corpus for Guarantees or Reserves for SAHT initiatives
- Pursue additional SAHT owned housing opportunities to build long term equity
- Leverage long term streams of income to capitalize funding for SAHT initiatives
- Establish new creative programming that the City can invest in with Bond Funding

Objective 6 - Engage in Advocacy at Local, State, and Federal Level

4 Key Results (where we want to be in 5 years):

- Increased revenue and resources for our local housing eco-system
- Policy makers are better informed about tools/resources needed for SA to house its residents
- Board members have a more sophisticated understanding of complex financing tools
- SAHT has increased organizational capacity to monitor legislative actions & prepare educational materials

5 Supporting Strategies:

- Invest time and resources to educate Board Members on SAHT Tools
- SAHT & Board become more active in federal/state/local policy discussions

- Actively participate in housing industry groups (i.e. TAAHP)
- Facilitate needs assessment, research best practices, and provide support for studies to inform legislative actions and funding decisions
- Support City on educating on tax policy, medicaid expansion w/ manage care orgs, and HCV's

VITALS

- Total number of MF units properties **preserved**
    - Number of rental units preserved for households with incomes between 31% at 80% AMI
    - Number of units preserved for household with incomes below 30% AMI
- Total number of MF units on properties **added**
    - Number of rental units added for households below 30% AMI
    - Number of rental units added for households between 31% at 60% AMI
- Total number of MF units **placed in service**
- Total number of MF units **in construction**
- Number of **PSH units produced** for persons experiencing chronic homelessness.
- Total number of **Land Parcels acquired** and placed in Land Bank
- Amount of Funding for **Community Land Trust(s)**
- Amount of **Grants or Loan Funds** Awarded
- Amount of **Tax-Exempt Bonds** Issued

San Antonio Housing Trust Foundation
Agenda Item 7

Briefing and discussion on the Fiscal Year 2023 Preliminary Budget.

Summary:
Each budget year, the Executive Director reviews the end of year revenue and expenditure estimates while conducting a forecast of the following fiscal year's revenues, operational needs, and programmatic goals that are in line with the initial findings of the Five-Year Strategic Plan.

Operating Expenses

The operating expense budget proposes a year over year 57% increase from the FY 2022 Operating Expense Budget of $1.04 million to $1.62 million for FY 2023. The Operational budget increase is due to the cost of priorities focused on increasing staff capacity to accommodate for the sizeable existing portfolio of 42 active apartment communities either in service or in construction. In addition, this budget reflects stabilizing the SA Housing Trust's ability to continue creating and preserving units through *existing* programs.

- Increase staff from 5 to 7 (1 Dir. of Asset Mgt & 1 Support Position (Description TBD)
- Increase cost of living adjustment for current staff positions by 10% (excludes Ex. Director)
- Aligning compensation for all Director level positions
- Increase operating reserves with operational budget increase per existing 50% policy
- Headquarters design and renovations costs
- Fund continued asset financial and compliance monitoring for the growing list of assets
- Fund the utilization of real estate document management software to track our growing list of assets

All staff shall receive a COLA increase to correspond with the rapid period of year of year inflation. Currently the preliminary proposed budget is 10%. Staff will review the COSA Annual Budget Proposal and consider alignment with the City of San Antonio's COLA. For Director level positions, I am providing our Director of Operations with a Car and Phone allowance commensurate to the benefits being offered to other Director level positions. The operating budget also includes corresponding increases to commodities, insurance, and training/travel to accommodate a growing staff. The Operating Budget provides for continued outsourcing of our asset financial monitoring services, compliance monitoring services, general counsel, CFO/bookkeeping services, financial advisors, brokerage services, and public relations.

Likewise, the Executive Director is also proposing renovations to our headquarters located at 2515 Blanco Road. The project has not seen major repairs since the former historic property was relocated to this site over 20 years ago. The property has substantial issues related to foundation, exterior envelope and painting, interior sheetrock, window, flooring repairs, HVAC improvements, and sustainability/accessibility upgrades.

The Foundation has a 6-month operating reserve policy. The Operating Reserve Budget shall be set at $813,688 from $519,371 in FY 2022.

Operating Revenues

The San Antonio Housing Trust Foundation's primary source of income is a 25% Revenue Fee contributed by the Public Facility Corporation and Finance Corporation. The Foundation also earns a small amount of revenues

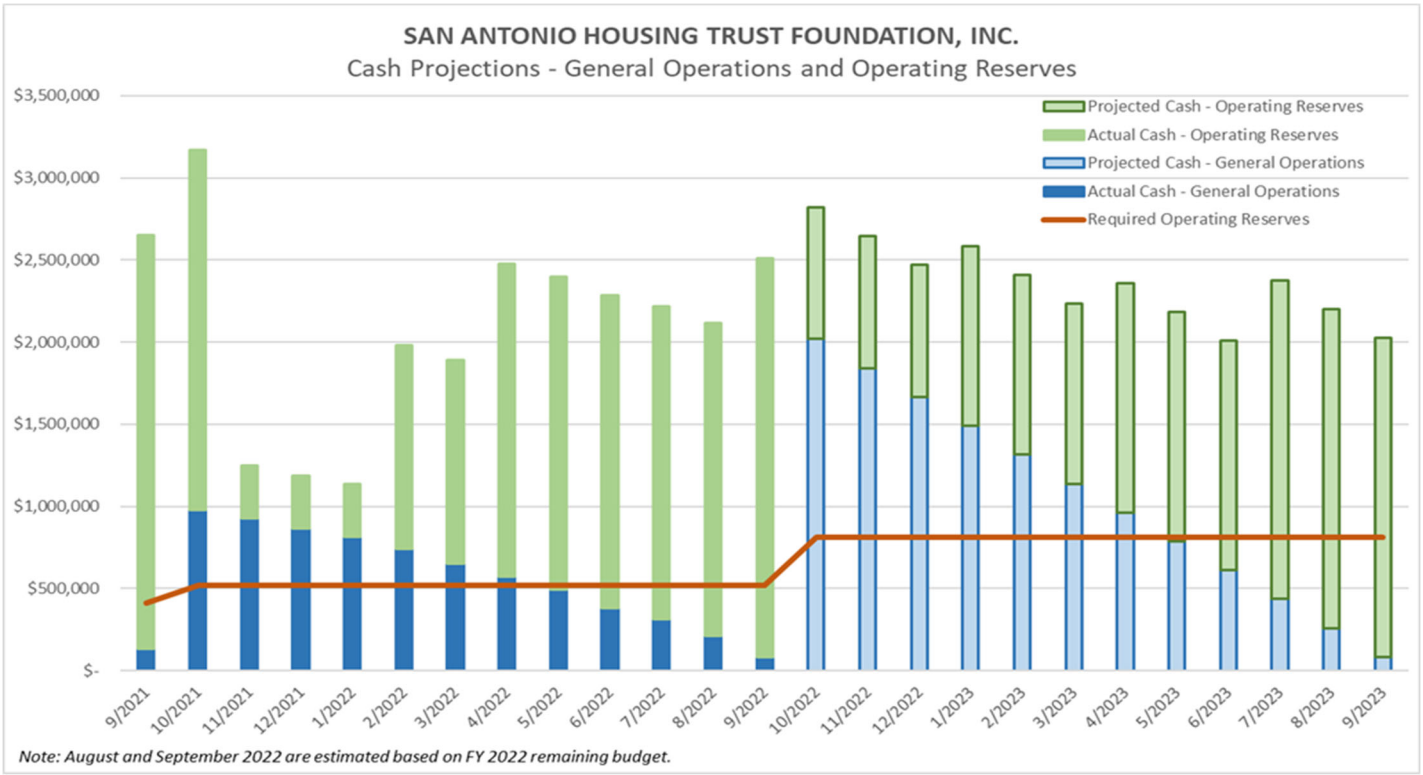
from prior equity investments, commercial loans, and residential loans. A portion of annually collected loan proceeds are owed to the Housing Trust Fund.

At the end of FY 2022, staff estimates earning $2.33 million in revenues including $2.12 million from the PFC and $179k from the Finance Corporation. This will forecast slightly lower than anticipated from the FY 2022 midyear budget. Explanations will be provided in the PFC and FC Revenue sections below. For FY 2023, based on preliminary forecasts the Foundation is estimated to receive $1.43 million in revenues primarily from the 25% revenue fee from the PFC and Finance Corporation. Explanations will be provided in the PFC and FC Revenue sections below.

Cash Projection for Foundation

The below chart shows our cash position looking back 1 year and forward 1 year based on this proposed budget. The two variations of blue represent our Operation Cash Levels. The two variations of green represent our *Reserve* Cash Levels.

This table shows that the Foundation has existing cash available to cover the increased FY 2023 Operating Fund and Operating Reserve. By the end of FY 2023, the Foundation will have just over $2M in cash plus $813,688 in required reserves.



Finance Committee Recommendations

- Reduce the cost of living to align with the City's 7% increase
- Staff should research rentable space for our growing staff vs expending funds on renovating the current property.
- Staff should get a current property appraisal.

Attachment:

FY 2023 Proposed Foundation Budget

SAN ANTONIO HOUSING TRUST

SAN ANTONIO HOUSING TRUST FOUNDATION, INC.
FY 2023 Proposed Budget

	FY 2021 Actual	FY 2022 Projected	FY 2023 Proposed Budget
OPERATING REVENUES			
Contributions from the City of San Antonio -			
Affordable Housing Programs	$ 1,660,322	$ -	$ -
Grant Income			
Risk Mitigation	6,500	-	-
Post Purchase Counseling	1,946	2,994	-
Total Grant Income	8,446	2,994	-
Administrative Fee Income			
SAHT Finance Corporation	226,382	179,195	34,180
SAHT Public Facility Corporation	666,516	2,121,448	1,385,584
Total Administrative Fee Income	892,898	2,300,643	1,419,764
Interest Income - Loans	52,341	29,119	10,000
Miscellaneous Income	11,214	-	-
TOTAL OPERATING REVENUES	**$ 2,625,221**	**$ 2,332,756**	**$ 1,429,764**
OPERATING EXPENSES			
Advertising and Marketing	$ 4,275	$ 300	$ 5,000
Allowance for Uncollectible Accounts	134,434	-	
Bank Fees & Service Charges	98	423	500
Disbursements to San Antonio Housing Trust	331,281	-	
Grants to Others			
Affordable Housing Programs	1,829,690	343,544	
Risk Mitigation	107,734	-	
Total Grants to Others	1,937,424	343,544	-
Insurance Expense			
Insurance - Business Owner's	12,680	3,582	3,940
Insurance - Crime	-	1,234	1,357
Insurance - Directors & Officers	-	8,843	9,727
Insurance - Workers Comp	1,584	819	901
Total Insurance Expense	14,264	14,478	15,925
Maintenance & Repairs			
General Maintenance & Repairs	9,188	15,166	25,000
Grounds Maintenance & Mowing	9,324	5,125	5,638
Office Cleaning	5,000	5,250	5,775
Pest Control	135	434	477
Total Maintenance & Repairs	23,647	25,975	36,890
Meals & Events	429	4,508	4,500

SAN ANTONIO HOUSING TRUST

SAN ANTONIO HOUSING TRUST FOUNDATION, INC.
FY 2023 Proposed Budget

	FY 2021 Actual	FY 2022 Projected	FY 2023 Proposed Budget
OPERATING EXPENSES (Continued)			
Office Expenses			
Equipment Purchases	1,149	2,507	7,000
Furniture Purchases	520	4,919	10,000
Office Supplies	6,254	4,912	8,000
Printing & Photocopying	-	300	1,000
Security & Monitoring	656	597	656
Shipping & Postage	743	678	750
Shredding Services	-	75	100
Total Office Expenses	9,322	13,988	$ 27,506
Payroll Expenses			
Allowance - Auto	6,550	7,177	24,000
Allowance - Telephone	600	1,318	2,400
Insurance - Health	54,000	38,631	75,601
Insurance - Life	281	326	15,000
Payroll Tax Expense	32,074	29,863	59,019
Retirement Plan Expense	40,722	44,795	83,969
Salaries & Wages	368,368	363,191	709,739
Total Payroll Expense	502,595	485,301	$ 969,728
Professional Services			
Accounting & CFO Services	$ -	$ 83,105	$ 130,800
Asset Management Services	-	26,231	
Audit Services	17,130	50,000	40,000
Bookkeeping Services	11,400	7,640	
Financial Advisory Services	14,000	-	
Legal Services	19,627	51,597	72,000
Marketing & Public Relations Services	41,760	40,515	44,000
Strategic Planning Services	-	71,000	7,500
Web Hosting	-	3,250	3,575
Other Professional Services	4,226	2,783	50,000
Total Professional Services	108,143	336,121	347,875
Properties Expense	100		
Rent Expense			
Equipment Rent	3,070	4,622	5,084
Facilities Rent	896	2,262	38,000
Total Rent Expense	3,966	6,884	$ 43,084
Subscriptions			
Subscriptions - Memberships & Fees	3,915	3,486	4,717
Subscriptions - Software Licenses	5,077	5,966	134,350
Total Subscriptions	8,992	9,452	$ 139,067

SAN ANTONIO HOUSING TRUST

SAN ANTONIO HOUSING TRUST FOUNDATION, INC.
FY 2023 Proposed Budget

	FY 2021 Actual	FY 2022 Projected	FY 2023 Proposed Budget
OPERATING EXPENSES (Continued)			
Telephone & Internet	3,984	2,485	3,500
Travel & Training	2,421	12,784	25,000
Utilities	7,434	7,454	8,800
TOTAL OPERATING EXPENSES	**$ 3,092,809**	**$ 1,263,697**	**$ 1,627,375**
OPERATING INCOME (LOSS)	**$ (467,588)**	**$ 1,069,059**	**$ (197,611)**
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental Revenues			
Asset Management Services	-	138,763	317,750
Compliance Monitoring Services	-	17,416	167,200
Security Services	-	82,696	-
TOTAL INTERGOVERNMENTAL REVENUES	-	238,875	484,950
Intergovernmental Expenses			
Asset Management Services	-	(138,763)	(317,750)
Compliance Monitoring Services	-	(17,416)	(167,200)
Security Services	-	(82,696)	-
TOTAL INTERGOVERNMENTAL EXPENSES	-	(238,875)	(484,950)
Interest Income - Banks	431	416	
Depreciation Expense	(5,479)	-	
Net Loss from Partnership	(21,316)		
TOTAL NONOPERATING REVENUES (EXPENSES)	**(26,364)**	**416**	**-**
INCREASE (DECREASE) IN NET POSITION	**$ (493,952)**	**$ 1,069,475**	**$ (197,611)**

REQUIRED OPERATING RESERVE			
FY 2022 Expenditures	$ 3,092,809	$ 1,263,697	$ 1,627,375
Less: Grant Expenses	(1,937,424)	(343,544)	-
Less: Disbursements to SAHT	(331,281)	-	-
Less: Allowance for Uncollectible Accounts	(134,434)	-	-
Adjusted FY 2022 Expenditures	**$ 689,670**	**$ 920,153**	**$ 1,627,375**
Adopted Operating Expenditure Budget	$ 826,855	$ 1,038,742	$ 1,627,375
REQUIRED - 50% of Adopted Expenditure Budget	**$ 413,428**	**$ 519,371**	**$ 813,688**

San Antonio Housing Trust Foundation
Agenda Item 8

The Board of Directors for the San Antonio Housing Trust Foundation may convene into Executive Session pursuant to Texas Government Code Section 551.071 Consultation with Attorney and 551.076 related to specific occasions for implementation of security measures related to information technology (IT) matters.