

Finance Committee Agenda

City of Newton In City Council

Monday, November 23, 2020

The Finance Committee will hold this meeting as a virtual meeting on Monday, November 23, 2020 at 7:00 pm. To view this meeting using Zoom use this link: https://us02web.zoom.us/j/84535929972 or call 1-646-558-8656 and use the following Meeting ID: 845 3592 9972

Item scheduled for discussions:

#455-20 Authorization to expend a Massachusetts Sustainable Materials Recovery Grant

<u>HER HONOR THE MAYOR</u> requesting authorization to accept and expend a sixty-eight thousand dollar (\$68,000) Recycling Dividends Program Grant from the Massachusetts Sustainable Materials Recovery Program.

Referred to Zoning & Planning and Finance Committees

#420-20 CPC Recommendation to change the purpose of Homebuyer Assistance funding

<u>COMMUNITY PRESERVATION COMMITTEE</u> recommending a change in the purpose of the remaining seven hundred sixty two thousand, seven hundred and twenty two dollars and ninety cents (\$762,722.90) from the Newton Homebuyer Assistance Program for the creation of new affordable homebuyer units to the preservation of existing homebuyer units.

Zoning & Planning Committee Approved 7-0-1 (Councilor Albright abstaining) on 11/09/20

Referred to Zoning & Planning and Finance Committees

#437-20 CPC Recommendation to appropriate \$77,900 in CPA funding

<u>COMMUNITY PRESERVATION COMMITTEE</u> recommending appropriation of seventy-seven thousand nine hundred dollars (\$77,900) in Community Preservation Act funding for the Newton Housing Authority to construct the Haywood House Senior Affordable Housing Development on Jackson Road.

Zoning & Planning Committee Approved 8-0 on 11/09/20

The location of this meeting is accessible and reasonable accommodations will be provided to persons with disabilities who require assistance. If you need a reasonable accommodation, please contact the city of Newton's ADA Coordinator, Jini Fairley, at least two business days in advance of the meeting: ifairley@newtonma.gov or (617) 796-1253. The city's TTY/TDD direct line is: 617-796-1089. For the Telecommunications Relay Service (TRS), please dial 711.

#395-20 Request for updates on budget and possible reimbursements at Newton Public Schools

The President of the Council, on behalf of the City Council, requesting updates to the Finance Committee from the Chief Financial Officer regarding budget expenditures and

possible reimbursements related to school reopening at each meeting this fall.

Finance Held 5-0 on 10/14/20 Finance Held 6-0 on 11/09/20

#456-20 Authorization to expend a Mass Dept of Public Health COVID-19 Grant

<u>HER HONOR THE MAYOR</u> requesting authorization to accept and expend one hundred thousand dollars (\$100,000) in additional grant funding from the Mass Dept of Public Health COVID-19 Emergency Grant in order to support additional compensation in the form of overtime, additional personnel resources, and the purchase of emergency supplies necessary to help the City of Newton respond to the COVID-19 pandemic.

#457-20 Authorization to expend a Massachusetts Department of Public Health Grant

<u>HER HONOR THE MAYOR</u> requesting authorization to accept and expend a seven thousand four hundred seventy-five and twenty-nine cent (\$7,475.29) grant from the Massachusetts Department of Public Health's Bureau of Infectious Disease and Laboratory Sciences, Immunization Division for local health departments to support influenza vaccine activities for the coming influenza season.

Chair's Note: Chief Financial Officer Maureen Lemieux will provide an update on the expenditure of funds for COVID-19 as related to item #239-20.

Chair's Note: Chief Financial Officer Maureen Lemieux will provide an update regarding the "I-Cubed" program as it relates to the Chestnut Hill Square development.

Respectfully submitted,

Rebecca Walker Grossman, Chair



City of Newton, Massachusetts Office of the Mayor

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(617) 796-1113

TDD (617) 796-1089



Honorable City Council Newton City Hall 1000 Commonwealth Avenue Newton Centre, MA 02459

Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to accept, appropriate and expend the sum of \$68,000, a Recycling Dividends Program Grant from the Massachusetts Sustainable Materials Recovery Program.

Proceeds from this grant will be used for grant-eligible recycling services at the Resource Recovery Center, equipment to improve the City's recycling and composting infrastructure, educational materials, and outreach activities.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller Mayor City of Newton



DEPARTMENT OF PUBLIC WORKS

SUSTAINABLE MATERIALS MANAGEMENT DIVISION

1000 Commonwealth Avenue Newton Centre, MA 02459-1449

Ruthanne Fuller Mayor

November 5, 2020

To:

Mayor Ruthanne Fuller

Maureen Lemieux, CFO

From: Waneta Trabert, Newton DPW

Dear Mayor Fuller,

I write to request that the Honorable Council docket for consideration a request to accept the MassDEP Recycling Dividends grant funds in the amount of \$68,000 which will be used for the City's waste diversion efforts. These funds will be used for grant-eligible recycling services at the Resource Recovery Center, equipment to improve the City's recycling and composting infrastructure, educational materials, and outreach activities.

Thank you for your consideration of this matter.

Sincerely,

Waneta Trabert

Director of Sustainable Materials Management

Newton DPW

Cc: DPW Commissioner, Jim McGonagle; DPW Chief of Staff, Shawna Sullivan; Finance Director, Jack Cowell

Telephone: (617) 796-1000 • Fax: (617) 796-1050 • recycling@newtonma.gov

CITY COUNCIL

CITY OF NEWTON

DOCKET REQUEST FORM

DEADLINE NOTICE: Council Rules require items to be docketed with the Clerk of the Council NO LATER THAN 7:45 P.M. ON THE MONDAY PRIOR TO A FULL COUNCIL MEETING.

То	Clerk of the City Council Date: September 30, 2020								
Fre	om (Docketer): Lara Kritzer, Community Preservation Program Manager								
Ad	dress: Planning Department, Newton City Hall, 1000 Commonwealth Avenue Newton MA 02459								
Ph	Phone: 617-796-1144 E-mail: lkritzer@newtonma.gov								
Ad	ditional sponsors: Community Preservation Committee								
1.	Please docket the following item (it will be edited for length if necessary):								
	Recommendation from the Community Preservation Committee to change the purpose of the remaining funding in the Newton Homebuyer Assistance Program from the creation of new affordable homebuyer units to the preservation of existing homebuyer units.								
	202								
	E C C R								
2.	The purpose and intended outcome of this item is: Fact-finding & discussion								
	Appropriation, transfer, Expenditure, or bond authorization Special permit, site plan approval, Zone change (public hearing required) Consider the solution in the solutio								
3.	I recommend that this item be assigned to the following committees:								
	☐ Programs & Services ☐ Finance ☐ Real Property ☐ Zoning & Planning ☐ Public Safety ☐ Special Committee ☐ Public Facilities ☐ Land Use ☐ No Opinion								
4.	This item should be taken up in committee:								
	Immediately (Emergency only, please). Please state nature of emergency:								
	As soon as possible, preferably within a month In due course, at discretion of Committee Chair When certain materials are made available, as noted in 7 & 8 on reverse Following public hearing								

5.	I estimate that consideration of this item w	ili require approximately:					
	☐ One half hour or less ☐ More than one hour ☐ More than one meeting ☐	Up to one hour An entire meeting Extended deliberation by subcommittee					
6. The following people should be notified and asked to attend deliberations on this item. (Please those with whom you have already discussed the issue, especially relevant Department Heads):							
	City personnel	Citizens (include telephone numbers/email please)					
	Barney Heath ■						
	Amanda Berman						
7.	The following background materials and/o prior to scheduling this item for discussion	or drafts should be obtained or prepared by the Clerk's office a:					
8.	8. I Mave or intend to provide additional materials and/or undertake the following research independently prior to scheduling the item for discussion. *						
	CPC Funding Recommendation and the City's CPA funding proposal including the Planning and Development Memo of June 3, the ECR Enterprises report and analysis of the program, the Consultant's presentation to the CPC on June 9						
	p.m. on Friday before the upcoming Comm.	itional materials beyond the foregoing to the Clerk's office by 2 ittee meeting when the item is scheduled to be discussed so that want materials before a scheduled discussion.)					
Pl	ease check the following:						
9.	☐ I would like to discuss this item with the proceed.	e Chairman before any decision is made on how and when to					
10	. I would like the Clerk's office to conta daytime phone number is:	ct me to confirm that this item has been docketed. My					
11	. I would like the Clerk's office to notify discussion.	me when the Chairman has scheduled the item for					
T	ank you.						
La	ara Kritzer						
	gnature of person docketing the item						
[P]	lease retain a copy for your own records]						



City of Newton, Massachusetts

Department of Planning and Development 1000 Commonwealth Avenue Newton, Massachusetts 02459 Telephone (617) 796-1120 Telefax (617) 796-1142 TDD/TTY (617) 796-1089 www.newtonma.gov

Barney S. Heath Director

MEMORANDUM

DATE: June 3, 2020

TO: Members of the Community Preservation Committee **FROM:** Barney Heath, Director of Planning & Development

Amanda Berman, Director of Housing & Community Development

Malcolm Lucas, Housing Planner

Eamon Bencivengo, Housing Development Planner

RE: Newton Homebuyer Assistance Program, Consultant Report and Next Steps

MEETING DATE: June 9, 2020

In August 2019, consultants Liz Rust and Liz Valenta were hired by the City to perform a detailed assessment of Newton's First Time Homebuyer Assistance Program portfolio. As part of this assessment, the consultants identified categories of units in this portfolio with similar deed restrictions and/or resale and recapture provisions. The consultants also identified which units would require additional subsidy at the time of resale to maintain their affordability in perpetuity, including the specific amount of subsidy needed for each of these units.

Over the past ten months, staff has maintained close communication with the consultants as they conducted their evaluation and presented their draft findings. As you can see from the attached consultant report and portfolio spreadsheet, this evaluation culminated in a very detailed, up-to-date portfolio of all the deed-restricted affordable homeownership units in the City of Newton (a total of 79 units), including critical information that can be easily accessed when resales of these units take place.

In October 2018, we came to your committee requesting that the Newton Homebuyer Assistance Program retain a balance of up to \$775,000 of already appropriated CPA funds to for the following purposes:

- 1. **Up to \$75,000** To use towards administrative costs associated with the program, including the hiring of a consultant to evaluate the program's portfolio and recommend future policies.
 - Note: In 2008, 2013 and 2015, the City Council appropriated a total of \$76,000 in CPA funds to be used for the management and administration of this program

(staff time, marketing, and advertising, etc.). As of October 2018, \$20,000 of these funds remain in the account for these administrative purposes.

2. **Up to \$700,000** - To use towards potential additional subsidies to preserve the affordability of units already in the program.

Regarding the actual administrative costs for the project, the total cost to engage Liz Rust and Liz Valenta, our consultant team, came in well below staff's estimates for such a report, with a total contract amount of **\$12,960**.

The estimate put forth by staff regarding the additional subsidies needed to preserve the affordability of the portfolio, however, was much closer to the consultant's findings. The consultants' report identifies **eight units** where an estimated **§726,707** of buy-down funds could be invested to maintain affordability for eligible purchasers, ranging from a low of \$42,000 to a high of \$192,000 to buy-down one unit.

Next Steps for the Program:

Staff is very pleased with the detailed report and portfolio matrix developed by the consultant team and believes these documents will be invaluable resources in the continued administration and oversight of these units.

Moving forward, staff kindly requests the following to ensure the preservation of this critical portfolio of 79 affordable homeownership units:

- Up to \$5,000 / year for the next three years To use towards administrative costs associated with the program, including retaining a consultant to assist in the proper administration of the portfolio, monitoring, resales and lotteries, updating of deed restrictions and policies, etc.
- 2.) **Up to \$730,000** To use as buy-down funds to preserve the affordability of the eight units identified by the consultants as the come up for resale.
- 3.) The expansion of the purpose of the program to include the preservation of the portfolio.

We look forward to discussing the results of the consultants' work with you on June 9th, as well as our request for funding to preserve these critical ownership units in Newton.

City of Newton

Ruthanne Fuller

Mayor

City of Newton, Massachusetts

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420-20

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Barney S. Heath Director

Community Preservation Committee Recommendation to Amend Newton Homebuyer Assistance Program

Date: September 24, 2020

From: Community Preservation Committee

To: The Honorable City Council

Cc: Her Honor Mayor Ruthanne Fuller

PROJECT GOALS & ELIGIBILITY

Newton's Homebuyer Assistance Program was established in 2003 to assist low and moderate income households to purchase homes in Newton by providing down payment and closing cost assistance. In return for this funding, the City received an affordable housing deed restriction on the housing unit which guarantees that it will be resold to an income-eligible buyer at or below 80% AMI or 99% AMI (depending on the original source of funds) or that a portion of the profit from the sale be returned to the City. The program received five rounds of CPA funding between 2003 and 2015, totaling just over \$3.2 million, before it was put on hold due to the inability of applicants to find affordable housing units to purchase.

In November 2018, City staff met with the Community Preservation Committee (CPC) to request that some of the remaining program funding be used to hire a consultant to evaluate the program. The CPC approved the use of up to \$75,000 in existing program funds to hire a consultant to assess the existing program and develop a management and preservation plan for the City's affordable homeownership units, including a uniform process for resales. ECR Enterprises was hired to complete the review, which used only \$12,960 of the consultant funds set aside for this purpose.

In June, Liz Rust and Liz Valenta of ECR Enterprises presented their completed review of the program to the CPC with the recommendation that the focus of the Homebuyer Assistance Program be shifted from the creation of new units to the preservation of Newton's existing affordable homeownership units, of which there are 79 deed-restricted units. Their research confirmed that income-eligible households were unable to take advantage of the program due to the prohibitive costs of Newton's real estate market, a situation which is unlikely to change. Further, they found that several Newton's older affordable housing restrictions used resale calculations which will render these units unaffordable to eligible households when the units come up for resale in the future.

Based on these findings, the City has requested that the program be amended to use the remaining funding previously allocated to the Homebuyer Assistance Program, including the unused consultant funding, to preserve the affordability of the existing affordable homebuyer units by buying down the

sale price as needed for as many of these units as possible and hiring professional assistance to maintain the portfolio and handle any future resales through a certified lottery process. In doing this, the use of the funding would shift from the creation of new affordable units as originally proposed to the preservation of existing affordable ownership units, which is also an eligible use of the funding under the Community Preservation Act.

RECOMMENDED FUNDING

At their regular monthly meeting on June 9, 2020, the Community Preservation Committee unanimously voted 9-0 to recommend that the remaining program funds be used to buy down the sale price of any existing affordable homebuyer units with faulty deed restrictions. The CPC also recommended that up to \$15,000 of these funds can be used to hire professional assistance to maintain the housing portfolio and handle any future resales of these units over the next three years.

The Homebuyer Assistance Program currently has \$762,722.90 distributed between five accounts representing funding from 2013-2015. This recommendation proposes to reallocate all of the previously approved funding as noted above for the preservation of the City's existing homebuyer units. No new CPA funding is recommended for this use at this time.

SPECIAL ISSUES CONSIDERED BY THE CPC

In considering this proposed change, the CPC reviewed the results of ECR's analysis of the program and their suggestions for its future. Members noted that the Homebuyer Assistance Program has been unable to assist any potential new homebuyers since 2013 due to the inability of prospective homebuyers to find housing units at affordable prices even with the City subsidy which was increased in 2013. The program has been on hold since 2015 and there is no likelihood that it will be able to restart in the current housing market. Restructuring the program has been in discussion since 2015 and members agreed that finding another use for these funds which continue to support the community housing goals of the City was within the spirit of the original program.

The consultants have identified an urgent need for this funding. A number of existing affordable homeownership units have deed restrictions which do not restrict the resale price to affordable levels. Without easily accessible buy-down funds, Newton risks losing homebuyer units which have resale prices that are currently above affordable levels. Committee members agreed that it was reasonable to reallocate the program's remaining funding to protect these units, as resales can come in without advance warning and the remaining program funds currently meet the buydown cost of all the identified units. The Committee also agreed that it made sense to continue to receive professional assistance in monitoring and reselling these units as resales can be time sensitive and have specific requirements which require specialized expertise in resales and lotteries. Lastly, it was noted that the assisted units would receive new deed restrictions which corrected the resale problem, ensuring that the units will remain affordable and that no additional funding will be needed again in the future.

ADDITIONAL RECOMMENDATIONS (funding conditions)

- 1. CPA funding is limited to the funds (\$762,722.90) remaining in the Homebuyer Assistance Program accounts. A new CPA funding application will be required if buy-down costs increase and additional funding is necessary.
- 2. New Universal deed restrictions will be placed on all applicable units which receive buy-down funding, when they come up for resale, to protect their affordability in the future.
- **3.** Any assisted units which are not already listed on the Subsidized Housing Inventory (SHI) will be added as part of this resale and buy-down process where feasible.
- **4.** Any CPA funds remaining in the Homebuyer Assistance Program accounts after all of the atrisk units have been corrected will be returned to the Newton Community Preservation Fund.

KEY OUTCOMES

The Community Preservation Committee will evaluate this program based on its success in preserving the affordability of the units identified in the Homebuyer Assistance Program report as having resale prices above affordable levels. The program will be considered to be a success if all identified units are resold to affordable households with new Universal deed riders in place to protect their future affordability.

ATTACHMENTS

- Planning and Development Memo of June 3, 2020
- Newton First Time Homebuyer Analysis and Report from ECR Enterprises
- ECR presentation of Final Report to CPC on June 9, 2020

The above attachments are also available on the CPC project webpage along with links to additional information not attached to this recommendation. This information is available at: http://www.newtonma.gov/gov/planning/cpa/projects/homebuyer.asp

Newton First Time Homebuyer

Analysis and Report

May 11, 2020, revised May 21

Prepared by Elizabeth Rust, and Elizabeth Valenta

Newton First-Time Homeowner Assistance

Introduction

This report documents the analysis authorized by the City of Newton's First Time Homebuyer Assistance Program project.

The project started with creating the list of the deed restricted homeownership units in Newton, and by examining each unit's history, deed restriction, and resale provisions, and resulting database was created.

The project scope from the RFP included:

- 1. Assess the City of Newton's First Time Homebuyer Assistance Program portfolio and associated materials;
- 2. Identify categories of units with similar deed restrictions and/or resale and recapture provisions;
- 3. Define a series of options for the City in terms of how to manage these different categories of units moving forward;
- 4. Develop a recommended plan of action for each category;
- 5. Create a step-by-step process for the future resale of units that remain in the portfolio, including how to manage a lottery and potentially how to make these units SHI eligible, as well as a process for the release of restrictions for units that the City decides should be removed from the portfolio
- 6. Assess the City's other policies related to affordable homeownership, including its Down payment and Closing Cost Assistance Program and the provisions related to ownership units in its Inclusionary Zoning ordinance and Comprehensive Permit Board Orders, and provide recommendations for areas of improvement. [Staff and consultants agreed that this did not warrant further exploration.]
- 7. Hold a series of in-person and phone meetings with Planning staff to gather necessary information and discuss project progress, as well as present draft and final reports to the Community Preservation Committee (CPC) at its regularly scheduled evening meetings
- 8. Deliverables to include a draft and final written report including the abovementioned analysis and recommendations.

Summary of Findings

The project started with a portfolio inventory of 50 properties and finalized the inventory with a total of 79 restricted homeownership units in Newton after research and review. There are 60 units are registered on the State's Subsidized Housing Inventory.

Four different types of deed restrictions were identified, each having a specific resale price determination method:

- 50 Universal deed restriction
- 16 Change in AMI method
- 5 Discount Rate method
- 8 Base Price method

The report identified eight units where an estimated \$726,707 of buy-down funds could be invested to maintain affordability for eligible purchasers (see attached Table A).

This important result of the analysis is the review of the resale price, and resulting buy-down funds required to maintain and preserve affordability using current parameters, including estimated condominium fees and capital improvement allowances.

The decision to provide buy-down funds can be made on a unit by unit basis. The decision points include:

- Provide buy-down funds to continue affordability, and utilize a Universal Deed rider to preserve perpetual affordability, or
- Revise affordability target to greater than 80% AMI or,
- Release property from restriction and recapture excess funds when sold at market, if no CPA or other subsidy involved.

Resale Process

The resale process for all restricted properties follows the following steps. The further details for each step are found in the specific affordable housing restrictions, covenants or deed riders:

- Seller provides Conveyance Notice: The owner gives conveyance notice to the Monitoring Agent starting the resale process. The seller provides information regarding the property, including the appliances, condo fees, and other important information needed for the resale process including an appraisal if required. The DHCD Property Information Form can be used to assist in this purpose.
- Monitoring Agent provides Maximum Resale Price: The Monitoring Agent promptly notifies the seller of the Maximum Resale Price, and other details to formalize the process:
 - a. Identify the Monitoring Agent and the role of the City. The Monitoring Agent is responsible for ensuring the resale is completed in accordance with the deed restriction, including either performing the resale or finding an experienced resale agent.

For MassHousing 40B units, the Monitoring Agent is a third-party agent identified in the Regulatory Agreement (Housing Solutions, MetroHousing Boston) who performs the resales themselves using the resale fee (up to 2.5%) as compensation. For DHCD LIP units, DHCD is the lead monitoring agent with the City and DHCD hires a separate lottery/resale agent for their units (2% resale fee). The City is the Monitoring Agent for the remaining units in the portfolio. The City can proactively procure lottery/resale agent services on a retainer basis ahead of specific resale transactions. Some of the city restrictions allow for a negotiated resale fee to be included, a few specify 2% fee, and most specify no resale fee.

- b. Calculate the Maximum Resale Price (price to seller). These calculations will vary by method and defined further in the restriction, summarized below.
- c. Determine the Resale Purchase Price (price to buyer). In some cases (those units with the %AMI and Discount Rate methods), the Maximum Resale Price will not be affordable to an Eligible Purchaser. This is best done using the standard calculator, which includes current condo fee, interest rate, municipal tax rate, and the income limits for the desired AMI percentage with an affordability window if specified in the deed restriction. Note: In this analysis condo fee estimates have been used (in orange highlight) where the actual condo was not available.

To this figure, add the allowable capital improvement amounts and resale fee (where resale fee is allowable in the restriction). The difference between the Maximum Resale Price and this calculated price is the buydown potential.

The decision to provide buy-down funds can be made on a unit by unit basis. The Maximum Resale Price may be affordable to a household earning 120% AMI, which may also create a moderate-income housing opportunity – also a needed price point. If the unit was created with CPA funds, the AMI cannot be greater than 100%. If the unit was created with HOME funds, the affordability period must be maintained (5 years for under \$15k, 10 years for \$15k - \$40k, 20 years for over \$40k).

- d. Set forth the marketing period timeline and identify the lottery/resale agent. The letter to the seller should identify the time period to locate an Eligible Purchaser, and the contact information of the resale agent.
- e. This would be the time to determine the form of restriction to be used at the resale, including evaluating using the Universal Deed Rider on resale if applicable and adding the unit to the SHI if not already there. This may require working with DHCD on this important point.
- 3. Conduct marketing: The resale agent markets the unit to locate an Eligible Purchaser. In most cases, the main marketing period is 90-days, with additional

time frames as needed for details of closing and the like. The City has the ability to purchase the unit during the marketing period.

The resale agent prepares the application and advertisements, outlining the eligibility requirements, the unit description, the application process, and preferences used in selection, and a description of the deed restriction in accordance with Affirmative Fair Housing Marketing guidelines.

Wide marketing is undertaken by the agent to solicit interest from eligible applicants. This includes posting to the MassAccess Housing Registry (the state's affordable housing search site sponsored by CHAPA), municipal website and notices, local organizations, and other outlets. Paid advertising while not required but might be helpful if the applicant pool is thin.

The selection of buyer should be made by lottery. Given the 90-day period to find an eligible buyer, the application period should be open for 10 business days, with the lottery shortly after the application period ends. Lottery administration is best handled by an experienced agent to ensure that Affirmative Fair Housing Marketing guidelines are followed.

In most cases, after the 90-day period, the unit can be sold to an 'Ineligible Purchaser' (not income and assets eligible), with the restriction staying on the property. Each restriction will need to be reviewed carefully to for the particulars if an ineligible purchaser cannot be found.

- 4. Close to the new buyer: Once a buyer is selected through the lottery, the process completes much like a standard real estate closing process. The buyer is given an opportunity to see the unit and have a home inspection. The buyer and seller complete a Reservation Form, or similar, to outline their intention to transact, to exchange attorney information, to outline the Purchase & Sale date and closing.
 - Before the Purchase & Sale is executed, the buyer is presented for approval to by the Monitoring Agent. This approval constitutes an approval to purchase.
 - Once the mortgage commitment is received, the Monitoring Agent reviews the final documents (including updated income/assets is older than 60days), and prepares the closing documents, including Compliance Certificate, Resale Price Certificate, and form of restriction.
- 5. Post-purchase verification. Ensure the documents are recorded, update tracking systems in this ending set of activities.

Resale Valuation Methods

Below is an explanation of the deed rider methodologies used in Newton as excerpted from the deed riders/restrictions. For Methods #1, 3 and 4 there will be no buy down subsidies necessary to maintain affordability. We have identified eight properties where the Maximum Resale Price is calculated by Method #2: % AMI Change, that will not be affordable to a 80% AMI low income household. This is discussed further below.

Method#1: Universal Deed Rider.

This method is found for most (50) of the ownership units in the portfolio, including the units in Millhouse Commons, Court St, Coyne Road, Ellis Heights, Linden Green Homes, Parkview Homes, Woodmere Commons (recent resales), Walnut St /Oxford House, Waban Village, and Covenant Commonwealth. This form of restriction is used on both the 80% AMI units and the fewer (5) higher income limit CPA units. Most (all but 1) of the 80% AMI units are on the SHI.

This is the current standard for affordable housing deed restrictions, developed by the State Department of Housing and Community Development in 2006, and used by all subsidizing agencies including MassHousing for the 40B units, and DHCD for the LIP units.

It is known as the Universal Deed Rider and has many useful features, including survives foreclosure, as approved by FNMA, and the provision to sell to an Ineligible Purchaser retaining the affordable housing restriction on the property in perpetuity.

The restrictions for these units are recorded as a deed rider attached to the unit deed.

This rider calculates the Maximum Resale Price so that the price will always be affordable. No buy-down funds are needed for units protected through the Universal Deed Rider. The formula evaluates three values to calculate the Maximum Resale Price: the Calculated value, the Continued Affordability value and the Purchase Price.

The Calculated value uses the Resale Price Multiplier, which is the number calculated by dividing the Property's sale price by the Base Income Number (the Area Median Income for a four (4)-person household) at the time of the unit's sale. This value is found in the deed rider as well as a separately recorded Resale Price Certificate.

The Maximum Resale Price is the Calculated value provided it is less than the Continued Affordability value and greater than the Purchase Price.

Below is the language from the deed rider.

Maximum Resale Price means the:

sum of (i) the Base Income Number (at the time of resale) multiplied by the Resale Price Multiplier, plus (ii) the Resale Fee and any necessary marketing expenses (including broker's fees) as may have been approved by the Monitoring Agent, plus (iii) Approved Capital Improvements, if any (the original cost of which shall have been discounted over time, as calculated by the Monitoring Agent); (Calculated value)

provided that in no event shall the Maximum Resale Price be greater than the purchase price for which a credit-worthy Eligible Purchaser earning seventy percent (70%) of the Area Median Income (or, if checked [] _______ percent (____%) of Area Median Income, as required by the Program) for an Appropriate Size Household could obtain mortgage financing (as such purchase price is determined by the Monitoring Agent using the same methodology then used by DHCD for its Local Initiative Program or similar comprehensive permit program); (Continued Affordability value) and further provided that the Maximum Resale Price shall not be less than the purchase price paid for the Property by the Owner unless the Owner agrees to accept a lesser price. (Purchase Price)

Method#2: % AMI Change.

This method is found for sixteen (16) units in scattered site properties, sold under the Newton Homebuyer Assistance Program, with initial sales in the 2003-2009 timeframe, and resales of those units. Some of these units are on the SHI.

The restrictions for these units are often recorded as a separate covenant document.

This restriction calculates the Maximum Resale Price as a function of the change in the 80% Area Median Income from initial purchase to time of sale.

For some units, the Maximum Resale Price calculated price will not be affordable to an 80% AMI low income household. This may be due to an original purchase price that was high for a household at the income limit, but the housing was affordable for a specific buyer with their own funds for additional down-payment. The homebuyer program did not impose consistent asset limits or exempted down payments from the asset determinations.

Eight units have been identified where the calculated resale price is currently unaffordable to an 80% AMI household, sold with a 10% affordability window (see attached Table A). The decision to provide buy-down funds can be made on a unit by unit basis. The options would be to provide buy-down funds to continue affordability (and utilize a Universal Deed rider to eliminate future issue), revise affordability target

to greater than 80% AMI or, release property from restriction and recapture excess funds when sold at market. The Maximum Resale Price may be affordable to a household earning 120% AMI, which may also create a moderate-income housing opportunity – also a needed price point. However, if the unit was created with CPA funds, the AMI cannot be greater than 100%. If a buydown is required and the City would like to have the unit utilize a Universal Deed rider, then it is advisable to buy down the price so that it is affordable to the 70% AMI level as is typically required with future resales.

Most of the restrictions allow for an increase to the calculated price equal to 1% percent of the Initial Sales Price per year of ownership, subject to the review and approval of Municipality for Capital Improvements made by the owner. If this is factored into the units requiring a buydown then the buydown amount would increase. Below is the language from the affordable housing restriction.

Maximum Resale Price means the Initial Sales Price multiplied by a fraction, the numerator of which is 80% of Newton Area Median Income as of the date of receipt of the Conveyance Notice and the denominator of which is 80% of Newton Area Median Income as of the date of the Closing of the Initial Sale, plus Improvements, as more fully described herein.

Subject to the review and approval of Municipality, in its sole discretion, documented out-of-pocket costs for Improvements completed by the Initial Owner may be added to the Maximum Resale Price; provided, however, that total adjustment for such Improvements shall be limited to one (1%) percent of the Initial Sales Price per year of ownership. Improvements that are funded by Federal, state or local grant programs are not eligible to increase the Maximum Resale Price.

Method#3: Discount Rate.

This method is found for five (5) units in the Homes at Auburndale Yard and Woodmere Commons developments.

In this method, the Maximum Resale Price means the full and fair market value of the Property determined without regard to any restrictions contained in this Deed Rider multiplied by the Discount Rate recorded in the affordable housing deed restriction, reduced to an affordable price if that is not affordable to an eligible purchaser. This price can be reduced to an affordable basis, calculated using the standard calculator.

This method is in use for units sold in the 1998-time frame, with some restricted under the MassHousing NEF FHLBB program. This method was replaced by the resale price multiplier-based method in the 2004-2005-time frame as it generated maximum resale prices above affordable levels. The restriction is released upon resale if no eligible purchasers are located.

"Maximum Resale Price" equal to the appraised fair market value of the property at the time of resale, as determined by the Monitoring Agent, (as specified in the Regulatory Agreement) multiplied by the applicable Discount Rate (as hereinafter defined), or, if there is no eligible purchaser who can qualify to purchase the property at the normal Maximum Resale Price, then to an eligible purchaser for a price defined as the "Certified Sale Price" herein and in the Regulatory Agreement equal to the price which an eligible purchaser can pay as determined by the Monitoring Agent;

If the Grantee is unable to locate an eligible purchaser within one hundred twenty (120) days from the date the Property is put on the market, the Grantee may convey the Property to any third party at fair market value, free of all restrictions set forth herein, provided, however, all consideration and payments of any kind received by the Grantee for the conveyance of the Property to the third party which exceeds the Maximum Resale Price shall be immediately and directly paid to the Municipality....

Method#4: Base Price

This non-standard method is found in the restrictions of the eight (8) condominiums at Crescent Street, initially sold in 2000.

The "Base Price" shall equal the purchase price paid by the Owner PLUS: the cost of the appraisal, the approval capital improvements and excise taxes incurred in connection with the sale of the Property; PLUS, a return on the Owner's investment equal to the product of:

- (i) the sum of the Owner's original down payment plus one-half of the aggregate of regular principal payments made by the Owner on the allowable secured debt on the Property multiplied by
- (ii) a fraction, the numerator of which shall be the Price Index for the last month preceding the Notice minus the Price Index for the month preceding the Owner's purchase of the Property and the denominator of which shall be the Price Index for the month preceding the Owner's purchase of the Property.

The "Price Index" shall mean the "Consumer Price Index for Urban Wage Earners and Clerical Workers, All Items

Table A Newton Homebuyer Assistance Potential Buy-Down units April 2020

# Unit Address	Unit Size, Purchase Date	Original	Calculated			
# Unit Address	Purchase	•	Calculated			
		Purchase Price	Resale Price	Resale Price 80% Afford.	Resale Price 70% Afford.	Max. Allow. Capital Improv.
1 Boylston Street, 96, Unit 1	1	\$162,500	\$236,442	\$233,200	\$194,000	\$22,750
Buy Down Required	6/27/2006	'		\$3,242	\$42,442	
2 California Street, 246-250, Unit 250	4	\$305,000	\$443,783	\$350,500	\$297,500	\$45,750
Buy Down Required	10/4/2005			\$93,283	\$146,283	
3 Centre Street, 548, Unit 3C	1	\$153,750	\$223,710	\$240,600	\$201,300	\$19,988
Buy Down Required	8/22/2007	,		No Buydown	\$22,410	
4 Christina, 90-94 Unit 92B	3	\$265,000	\$407,123	\$343,500	\$294,500	\$0
Buy Down Required	10/1/2003	,		\$63,623	\$112,623	
5 Hawthorn Street, 101	3	\$365,184	\$433,403	\$392,500	\$343,400	\$7,304
Buy Down Required	1/25/2018			\$40,903	\$90,003	
6 Langley Road, 412, Unit 6	1	\$180,000	\$261,905	\$264,500	\$225,100	\$27,000
Buy Down Required	11/1/2005			No Buydown	\$36,805	
7 Playstead Road, 33, Unit 2	2	\$200,000	\$296,154	\$280,000	\$235,700	\$16,000
Buy Down Required	9/28/2012			\$16,154	\$60,454	
		0000.555	****		A	
8 Whittemore Road, 16, Unit 1	3	\$309,206	\$380,820	\$362,300	\$313,200	\$9,276
Buy Down Required	2/8/2017			\$18,520	\$67,620	
				5 . 5 .	5 1 5 1 5 1 5 1 1	
					Resale Price 70%	Max. Allow.
				80% Afford.	Afford.	P
Added Buydown Costs				\$235,724	\$578,639	\$148,067
TOTA	L Buydown I	Potential for Resa	ale Price @ 70%	Affordable + Capi	ital Improvements	\$726,707

Newton Affordable Homeownership Final Report

Presentation to CPC, June 9

Elizabeth Rust, Elizabeth Valenta

1

\$24,987.28

Newton Affordable Homeownership

Program Review

The project included the following scope:

- Portfolio Inventory and Assessment
 - Create inventory, Categorize units based on deed restrictions
- Resale Process
 - Calculate resale price, and Document resale process
- Evaluate Portfolio Monitored by Newton
 - Identify buy-downs necessary to maintain affordability

Note: This is a point in time analysis, and will change over time

Newton Affordable Homeownership

Inventory: 79 Restricted Units, 62 Monitored by Newton

Universal Deed Rider

- 50 Units, in total, 33 monitored by Newton
- Standard Form
- Perpetually Affordable Methodology

Change in AMI method

- All 16 units monitored by Newton
- Newton Homebuyer Assistance Program
- Issues with Continued affordability

Other Restrictions

- All monitored by Newton
- 5 Discount Rate
- 8 Base Price

Note: LIP Units monitored by both DHCD and Newton

1

Newton Affordable Homeownership

Resale Process

- Receive Conveyance Notice from Owner
- Determine Monitoring Agent
 - Newton is responsible for 62 Units (35 in conjunction with DHCD)
- Calculate Resale Price based on methodology from Deed Restriction
- Implement Marketing Plan
- Close with New Homeowner Restriction
 - Utilize Universal Deed Rider for all resales

4

Newton Affordable Homeownership Maintaining Affordability

- 16 Units Utilize the Change in AMI Deed Restrictions
 - Does not restrict resale price to maintain affordability
 - 8 Units were identified that would require Buy Down funds to maintain affordability, based on current resale price
 - Buy Down requirement between \$236,000 \$726,707
 - Include Capital Improvement Allowance
 - Set resale price for affordability at 70% or 80% AMI

5

Planning Ahead

Options for City

- Procure Monitoring/Lottery/Resale Agent services
 - Contract ahead for consulting services for both lottery/resale agent and to proactively monitor units
- Vote Buy Down funds to preserve affordability
 - Resale timeline does not allow for extended decision making
- Anything else?

Newton Homebuyer
Assistance Program
Recommendation for
Amendments

Community Preservation Committee
Presentation to Zoning and Planning Committee
November 9, 2020

Program Overview

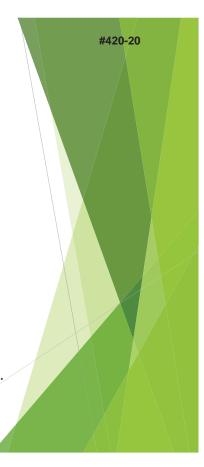
- ► Homebuyer Assistance Program initially created in 2003 to assist low and moderate income households (between 80% and 99% AMI) to become first time homebuyers by providing down payment and closing cost assistance
- ► In return for program funding, City receives a permanent affordable deed restriction on the property
- ▶ Program received five rounds of CPA funding between 2003 and 2015, totaling just over \$3.2 million
- ▶ Program placed on hold in 2015 due to inability of eligible households to find affordable units in Newton
- ▶ In 2018, portion of unused CPA funding used to hire consultants (ECR Enterprises) to review the program and recommend next steps



#420-20

Results of Consultant Evaluation

- Newton has 79 deed restricted affordable homebuyer units, 62 of which are monitored by Newton
- ➤ Several different types of restrictions have been used over time 50 use the Universal Deed Rider preferred today
- ▶ 16 restrictions base the resale price on the Change in AMI between the time of the initial purchase and the resale. These restrictions do not restrict the resale price to maintain affordability
- ▶ Based on current resale price, 8 of the 16 restrictions are no longer affordable to income eligible homebuyers. These units will need Buy Down funding to maintain their affordability



Recommended Program Changes

That the program be amended to preserve Newton's existing affordable homebuyer units rather than create new homebuyer units as originally envisioned.

This would be done by:

- ▶ Using the remaining \$762,722.90 already allocated to the Homebuyer Assistance Program to buy down the resale price of those units that are no longer affordable to incomeeligible buyers. A new Universal Deed Rider would be placed on the property to insure future affordability.
- ▶ Using up to \$15,000 of this CPA funding to hire professional assistance to maintain the affordable housing program and handle any future resales.

This recommendation is <u>only</u> to reallocate existing program funding. If additional funding is needed in the future, a new application must be submitted



Questions & Discussion

► Thank you!



RECEIVED

CITY OF NEWTON

2020 OCT 23 AH 10: 29	DOCKET REQ	UEST FORM	A		
DEADLINE NOTICE: Council Ru					
LATER-THAN 7:45 P.M. ON THE	MONDAY PRIOR	TO A FULI	COUNCIL MEET	<u>ing</u> .	
NEWTON MA. 02459 To: Clerk of the City Council		Da	ate: October 21, 202	.0	
From (Docketer): <u>Lara Kritzer, Co</u>	mmunity Preservat	ion Program	ı Manager		
Address: Planning Department, Ne	wton City Hall, 100	0 Commonw	vealth Avenue New	ton MA 0245	9
Phone: 617-796-1144	E-mail: lkrit	tzer@newtor	ıma.gov		
Additional sponsors: Community P					
Additional sponsors. Community 1	reservation Commi	ittee	<u> </u>		
1. Please docket the following item					
Recommendation from the Confor the Newton Housing Author Development on Jackson Road	ority to construct th				
·					
.,				·	
2. The purpose and intended outco	me of this item is:				
☐ Fact-finding & discussion ☐ Appropriation, transfer, ☐ Expenditure, or bond authorize ☐ Special permit, site plan appro ☐ Zone change (public hearing re	val,	Resolution	ce change on or renewal ment confirmation		
3. I recommend that this item be as	ssigned to the follow	ving commit	tees:		
☐ Programs & Services☒ Zoning & Planning☐ Public Facilities	☐ Finance☐ Public Safety☐ Land Use		☐ Real Property ☐ Special Commit ☐ No Opinion	tee	
4. This item should be taken up in	committee:				
☐ Immediately (Emergency only	, please). Please stat	te nature of e	mergency:		
As soon as possible, preferably	y within a month				
☐ In due course, at discretion of ☐ When certain materials are ma	Committee Chair	d in 7 & 2 on	reverse	•	
Following public hearing	ue avaliable, as ilole	аш / cc о оп	1040130		

3.	1 estimate that consideration of this item	ii wiii require approximate-y-					
	☐ One half hour or less ☐ More than one hour ☐ More than one meeting	 ☑ Up to one hour ☑ An entire meeting ☑ Extended deliberation by subcommittee 					
6.	The following people should be notified	The following people should be notified and asked to attend deliberations on this item. (Please check hose with whom you have already discussed the issue, especially relevant Department Heads):					
	City personnel	Citizens (include telephone numbers/email please)					
	Barney Heath						
	Amanda Berman						
7.	The following background materials an prior to scheduling this item for discuss	nd/or drafts should be obtained or prepared by the Clerk's office sion:					
8.		I ⊠ have or □ intend to provide additional materials and/or undertake the following research independently prior to scheduling the item for discussion. *					
	CPC Funding Recommendation and the	Newton Housing Authority's CPA funding proposal including athority's presentation to a joint meeting of the CPC and Planning					
	p.m. on Friday before the upcoming Con	additional materials beyond the foregoing to the Clerk's office by 2 nmittee meeting when the item is scheduled to be discussed so that elevant materials before a scheduled discussion.)					
Ple	ease check the following:						
9.	☐ I would like to discuss this item with proceed.	the Chairman before any decision is made on how and when to					
10	. X I would like the Clerk's office to condaytime phone number is:	ntact me to confirm that this item has been docketed. My					
11	. X I would like the Clerk's office to not discussion.	tify me when the Chairman has scheduled the item for					
Th	ank you.						
	ra Kritzer gnature of person docketing the item						
[P]	lease retain a copy for your own records]						

437-20

City of Newton



Newton, Massachusetts Community Preservation Program and HOME Investment Partnerships Program FUNDING REQUEST

1	PROPOSAL
_	PROPUSAL

(For staff use) date rec'd:

Ruthanne Fuller Mayor

Please submit this completed file directly – do not convert to PDF or other formats.

For full instructions, see www.newtonma.gov/cpa or contact us:

PRE-PROPOSAL

Community Preservation Program Manager,

City of Newton Planning & Development Department, 1000 Commonwealth Ave., Newton, MA 02459

<u>lkritzer@newtonma.gov</u>
617.796.1144

You may adjust the space for each question, but the combined answers to all questions on this page must fit on this page.

Project TITLE	Haywood House/Jackson Road Senior Housing Additional Funding						
Project LOCATION	Full street address (with zip code), or other precise location. Jackson Road (83-127 Kennedy Circle, Newton Corner MA 02458)						
Project CONTACTS	Name & title or organization	Email	Phone	Mailing address			
Project Manager	Amy Zarechian, Exec. Director, Newton Housing Authority	azarechian@newtonhousing.org	617-552-5501	82 Lincoln Street Newton Highlands, MA 02461			
Project FUNDING	A. CPA funds requested: \$77,900	B. CDBG funds requested: \$250,000	C. Other funds to be used: \$29,492,036	C. Total project cost: \$29,819,936			
Project SUMMARY	Explain how the project will use the requested CPA funds. You may provide more detail in attachments, but your PROJECT SUMMARY MUST FIT IN THE SPACE BELOW. Use a cover letter for general information about the sponsoring organization's accomplishments.						

The proposed site of Haywood House is approximately 25,000 square feet of undeveloped property owned by the Newton Housing Authority (NHA), next to its existing Jackson Gardens Federal Public Housing development. The proposed development will consist of 55 one-bedroom units of new construction rental housing for seniors. Thirty-two of the units will be designated for seniors with incomes at or below 60% of AMI. Eleven of these units will be occupied by households at 30% of AMI or below. In addition, twenty-three of the units will be designated for residents with income between 80% and 99% of AMI. Four of the units will be set aside for individuals experiencing homelessness or at risk of becoming homeless. The project will include parking and new community spaces (including a library, community room, and fitness center) to be utilized by residents of the development and others in the community. The development will be funded primarily by leveraging Low Income Housing Tax Credits.

The CPC previously committed to contributing \$3 million to the project. The NHA is asking for an additional contribution of \$327,900 in combined CPC and CDBG funds to cover costs that have been incurred as the project has progressed. During the special permit process with the City, NHA was asked to include an additional ramp, and to keep all vehicle traffic on JFK Circle instead of Jackson Road, which required the addition of a material lift for transporting trash barrels to the main floor. Additionally, the project is facing an increase in costs due to current market conditions. The general contractor recently received bids from subcontractors and costs were higher than anticipated. NHA is requesting additional assistance from CPC to cover the current funding gap. These additional funds are greatly needed to ensure that the closing and construction can move forward in Fall 2020.

Rental ✓

Project TITLE Haywood House/Jackson Road Senior Housing Additional Funding								
USE of CPA and HOME Funds		ds	COMMUNITY HOUSING	Create		✓		
New construction ✓		М	ortgage buydown/ refinance		Site prepar	ation/ remediation 🗸		
TARGET POPU	TARGET POPULATION, TYPE OF HOUSING, SPECIAL FEATURES – Check& describe all that apply.							

Homeless/At Risk of Homelessness ✓

Seniors ✓

Special needs/disabilities (identify population & provider of support services, if any): The development will have three accessible units specifically designed for mobility impaired residents and all units will be designed to be visitable and potentially adaptable. In addition, all common and community spaces will be fully accessible to all residents. The NHA will be coordinating the provision of social services through partnerships with a variety of local service providers based on the needs of the residents. The NHA Resident Services Department will promote the objectives of healthy aging and community building at Haywood House by targeting its programming in the following three focus areas: 1) Providing health and wellness activities, 2) Administering on-site clinical and case management support, and 3) Reducing social isolation in older adults and persons with disabilities.

Special features (historic preservation, sustainability, etc.): Haywood House will be LEED certifiable. Some of the sustainable features and practices incorporated in the design include: construction waste recycling, LED light fixtures, public transportation access, managed storm water, heat island effect roofing, reflective roof systems, light pollution reduction, water efficient landscaping, controllable lighting, low-flow plumbing fixtures, water metering, recycled content, recycling program, low emitting materials, composite woods, outdoor air delivery monitoring, thermal comfort, enhanced commissioning, enhanced refrigerant management, and optimized energy performance.

UNIT COMPOSITION List number of units in each category. Please identify which units are the HOME funded units.								
UNIT TYPE	≤ 30% AMI *	≤ 60% AMI	≤ 80% AMI	<100% AMI	No Income Restriction (Market-Rate)	TOTAL		
1 BR	11	21		23		55		

COMMUNITY NEEDS

Individuals ✓

Families ✓

From each of at least 2 plans linked to the <u>Guidelines & Forms</u> page of **www.newtonma.gov/cpa**, provide a brief quote with plan title, year, and page number, showing how this project meets previously recognized community needs. You may also list other community benefits not mentioned in any plan.

Haywood House will meet several of the City's stated goals for increasing access to affordable housing in the community. This development will have a meaningful impact on the City's goal to reach 10% subsidized units, as outlined in 40B regulations. In Newton's Comprehensive Plan (5-12), it states, "We want out stock of housing to match the social and economic diversity of our population" by increasing rental opportunities "for the entire range of low, moderate, and middle income families." Haywood House will provide 55 units of mixed income housing which will be affordable to families at low and moderate incomes. In the Housing Strategy document for Newton Leads 2040, the City of Newton identified a growing population of residents over the age of 55 years old as well as a "lack of housing options in Newton for smaller households and residents that seek to downsize." Haywood House will consist of one-bedroom apartments for seniors ages 62 and older, which will help to meet the growing need for small affordable units for Newton's growing aging population. In addition, four units will be set aside for elderly people facing homelessness; Haywood House

	437-20
will provide permanent housing with supportive services for this vulnerable population in acco	ordance with
	ordaniec with
the recommendations outlined in Housing Needs Analysis and Strategic Recommendations.	

Project TITLE	Haywood House/Jackson Road S	Senior Housing Additional Fu	ınding
	SUMMARY CAPITAL/DE	VELOPMENT BUDGET	
	Uses of Funds		(rounded amounts)
Acquisition			\$1.00
Construction cost	s (hard costs, general conditions, overhead,	profit, contingency)	\$23,640,768
Soft Costs			\$3,652,822
Developer Fee/Ov	verhead		\$2,000,000
Reserves			\$526,345
	\$29,819,936		
	Sources of Funds	Status (requested, expected, confirmed)	(rounded amounts)
Newton CPA Fund	ds	Requested	\$77,900
Newton CDBG Fu	nds	Requested	\$250,000
Newton CPA Fund	ds (Previous Application)	Confirmed	\$3,000,000
Newton CDBG Fu	nds		\$625,000
Federal and State	Low Income Housing Tax Credits		\$11,855,000
Permanent Bank I	Loan		\$8,600,000
State HOME Fund	s		\$450,000
Affordable Housin	ng Trust Fund		\$750,000
MA Facilities Cons	solidation Fund		\$750,000
MA Housing Stabi	lization Fund		\$500,000

				437-20	
MA Community Based Housing Fund				\$750,000	
Deferred Developer Fee				\$657,064	
Newton Housing Authority				\$625,000	
E. TC	TAL SOURCES (shoul	d equal C. on page 1 and D.	above)	\$29,819,936	
SUMMARY ANNUAL O	PERATIONS & MAINT	TENANCE BUDGET (cannot i	use CPA fo	unds)	
	Uses of Funds			(rounded amounts)	
Management Fee				\$50,744	
Administration				\$79,790	
Maintenance				\$82,000	
Resident Services				\$120,000	
Security				\$10,000	
Utilities				\$87,5000	
Reserves				\$19,250	
Taxes, Insurance				\$112,500	
Debt Service				\$469,406	
Required Debt Service Coverage Ratio (1	l.10)			1.16	
	F. TOTAL ANN	IUAL COST (should equal G.	below)	\$1,052,690	
	Sources of Funds			(rounded amounts)	
Residential Income				\$1,103,376	
Other Rental Income (laundry, Jackson (\$74,762				
Vacancy				(50,484)	
	G. TOTAL ANNUAL	FUNDING (should equal F.	above)	\$1,127,654	
		Ca	ashflow	\$74,964	
Project TITLE Haywood House	se/Jackson Road	Senior Housing Addit	ional F	unding	
Project TIMELINE	Phase or Ta	ask		Season & Year	
Received LIHTC award from DHCD		February 2020			
Architect completed 100% design drawings			Summer 2020		
Issued bids for subcontractors and finalized				Summer 2020	
Secured tax credit financing from MHIC				Summer 2020	
Complete tenant selection plan, AFHMP, and other management documents			Summer 2020		
Initial Closing F				Fall 2020	
Construction Start Fall 2)	
Full Occupancy S				Summer 2021	

COMMUNITY CONTACTS

List at least 3 Newton residents or organizations willing and able to comment on the project and its manager's qualifications. No more than 1 should be a supervisor, employee or current work colleague of the project manager or sponsor. For housing projects, at least 2 contacts should reside in or near the project's neighborhood.

Name & title or organization		Email		Phone	Mailing address
Fran Godine Livable Newton		godine@comcast.net		617-969-2625	
Donna Murphy, Chair Newton Council on Aging		murphyd001@gmail.com			
Jil G. Perlmutter OTR/L Senior Manager, Physicians Relations Newton-Wellesley Hospital	jperlmu	utter@partners.org	6	17-243-6069	2014 Washington Street, Newton, MA 02462

Reformatted checklist provided by CPC staff – August 4, 2020

Project TITLE	Haywood House/Jackson Road Senior Housing Additional Funding				
↓ Check off submitted attachments here. See also supplemental checklist for housing proposals.					
OPTIONAL (as needed)	X	Additional Narrative Explanation of Changes in Funding Request (if needed to further explain summary on Page 1)			
	PROJECT FINANCES printed and as computer spreadsheets, with both uses & sources of funds				
detailed budget	X	Development pro forma/capital budget: include total cost, hard vs. soft costs and contingencies, and project management – amount and cost of time from contractors or staff (in-kind contributions by existing staff must also be costed)			
attachments REQUIRED for full proposal.	X	Operating/maintenance budget, projected separately for each of the next 10 years (CPA funds may not be used for operations or maintenance)			
	X	Non-CPA funding: commitment letters, letters of inquiry to other funders, fundraising plans, etc., including both cash and est. dollar value of in-kind contributions			
DECLUBED	SPONSOR FINANCES & QUALIFICATIONS, INSTITUTIONAL SUPPORT				
REQUIRED for full proposal.	For sponsoring organization, most recent annual operating budget (revenue & expenses) & financial statement (assets & liabilities); each must include both public (City) and private resources ("friends" organizations, fundraising, etc.)				
OPTIONAL for all proposals.		LETTERS of SUPPORT from Newton residents, organizations, or businesses (if applicable for new application)			



Telephone: (617)552-5501 Fax: (617)964-8387 TDD: (617)332-3802 Amy Zarechian Executive Director

Narrative Explanation of Changes to Funding Request

During the special permitting process with the City of Newton, NHA was asked to make some design changes that have increased the total construction costs associated with the project. During Design Review meetings with the City of Newton, representatives from different City departments raised concerns about a planned curb cut on Jackson Road to allow for trash collection and requested that all trash be collected from John F. Kennedy Circle rather than from Jackson Road. In order to accommodate this, a material lift was added to the design to carry trash up from the basement level, which opens onto Jackson Road, to the main floor, which opens onto John F. Kennedy Circle. The total cost of the material lift is \$77,900. The quote from Baron Industries for the installation of the lift is attached.

In addition, during the design review process, the City of Newton requested that an accessible pedestrian ramp and stairs be added to the design. This is to maintain the pedestrian connection between John F. Kennedy Circle and Jackson Road, which is currently used by community members to access Lincoln-Eliot Elementary School. The existing ramp does not comply with current accessibility requirements. The total cost of the new ramp is \$285,000. This total includes \$70,000 for concrete work, \$25,000 metal handrails, \$120,000 for support of excavation, and \$70,000 for excavation, trucking and disposal, prep, and backfill. If the ramp and stair access were removed from the design, a block retaining wall at that location would cost approximately \$35,000; therefore, the change in cost for adding the ramp reflected in the NHA's proposal is **\$250,000**.

Due to current market conditions, the project is facing a cost increase. Several bids from subcontractors have come in higher than budgeted. As a result, NHA is seeking \$77,900 in CPC funding to cover the cost of the material lift, as well as \$250,000 in CDBG funding for the ramp and stairs to Jackson Road. This additional total commitment of \$327,900 will help to ensure that the closing can take place as planned in Fall 2020 and construction can begin thereafter.

TEL: 508-612-9705

Email: ray@rayleo.com

BARON INDUSTRIES

35 INDUSTRIAL PARKWAY WOBURN, MA 01801

DATE: 08/26/20

TO:

Nick Bean Project Name: Haywood House Colantonio, Inc. Newton, MA.

16 Everett Street Holliston, MA 01746

Phone: 508-429-8666 X230, Email: nbean@colantonioinc.com

PREPARED By: Ray Leo QUOTE# 080420-03

WE ARE PLEASED TO SUBMIT THE FOLLOWING QUOTATION FOR YOUR APPROVAL:

Revised: D-Series Lift

PREVAILING WAGE, TURNKEY INSTALLATION OF (1) PFLOW SERIES D3 MECHANICAL HYDRAULIC FREIGHT LIFT (VRC). THE PROPOSED VRC HAS A 3'-8" WIDE X BY 8'-4" LONG EFFECTIVE PLATFORM. PROPOSAL ASSUMES A 2-LEVEL "Z" LOAD PATTERN AND THE PROPOSED UNIT WILL ACCOMMODATE 11'-8" VERTICAL TRAVEL IN A SHAFT. INCLUDES (2) NON-MONITORED DIAGONAL LOAD BARS, AND (2) ILLUMINATED PUSH-BUTTON STATIONS. BASE PRICE ASSUMES SUITABLE MOTOR COVER BY PFLOW. SHAFT AND ASSOCIATED ENTRY DOORS ARE BY OTHERS. INTERLOCKS ARE BY PFLOW. ADEQUATE SHAFTWAY LIGHTING IS BY OTHERS. OA DIM: 8' 10" X 5' 5".

THIS PROPOSAL ASSUMES CLEAR ACCESS FOR A KNOCKED DOWN PLATFORM WITH TWO PIECE RAILS, WITH A SUITABLE EXPOSED HOISTING BEAM EXISTING OR INSTALLED BY OTHERS DIRECTLY ABOVE THE RAILS, AND SUITABLE STRUCTURE TO SUPPORT THE RAILS AT THE UPPER LANDING. MACHINE ROOM, IF REQUIRED, IS BY OTHERS OR AT ADDITIONAL COST. SUITABLE LIGHTING AT EACH LANDING, WITHIN THE HOISTWAY, AND WITHIN THE MACHINE ROOM AREA IS BY OTHERS. POWER SUPPLY BROUGHT TO THE MAIN CONTROL THROUGH A FUSED DISCONNECT AND A GFCI OUTLET WITHIN THE MACHINE ROOM AREA ARE ALSO BY OTHERS.

TURNKEY INSTALLATION INCLUDES THE REQUIRED STATE ELEVATOR PERMIT, COUNTER STAMPED DRAWINGS, HANDLING, DELIVERY, MECHANICAL INSTALLATION, CONTROL WIRING, AND SUBSEQUENT STATE INSPECTION WITH LOAD TEST AND CERTIFIED TEST WEIGHTS.

PLEASE NOTE THAT THE PROPOSED INSTALLATION WILL REQUIRE SIGNIFICANT WELDING AT THE SITE. TOWN WELDING PERMIT AND PAID FIRE DETAIL, IF REQUIRED, HAVE BEEN INCLUDED IN THIS PROPOSAL.

UNIT COST: \$75,000.00

PRICING INCLUDES: MATERIAL, TAX, FREIGHT AND TURNKEY INSTALLATION, INCLUDING WIRING TO A CUSTOMER SUPPLIED DISCONNECT.

PRICING ASSUME FROM OF SHAFTWAY WILL BE LEFT OPEN FOR INSTALLATION OF THE LIFT.

FOR A TWO PIECE BACK FRAME AND KNOCKED DOWN CARRIAGE, ADD: \$2,900.00

THIS UNIT COMES WITH A MOTOR COVER, BUT THE STATE MAY REQUIRE A SEPARATE 3' X 7' MACHING ROOM WITH A ROOF, SELF CLOSING LOCKABLE DOOR, LIGHT AND AN ELECTRICAL OUTLET.

ACCEPTED BY:	DATE:	P.O.#	
TERMS: 1/3 DEPOSIT, BALANCE UPON COMPLETION.			

<u>HAYWOOD HOUSE</u> <u>Newton, Massachusetts</u>

SUMMARY

August 21, 2020

55 One Bedroom Units 32- tax credit, 23-99% 22 New Parking Spaces 9% Tax Credits @ \$0.94

NET DEVELOPMENT FEE	\$1,342,936
NET ACQUISITON PAYMENT	\$1

<u>UNITS</u>	<u>0 BR</u>		1 BR	2 BR	<u>3 BR</u>	<u>4 BR</u>	
30% AMI PBV		0	11	0	0	0	11
MRVP		0	0	0	0	0	0
60% AMI		0	21	0	0	0	21
99% AMI		0	23	0	0	0	23
Market		0	0	0	0	0	0
TOTAL		0	55	0	0	0	55

<u>SOURCES</u>		<u>P/U</u>	
Cash	\$0	\$0	
Federal LIHTC	\$7,905,000	\$143,727	
State LIHTC	\$3,950,000	\$71,818	
Federal HTC	\$0	\$0	
FCF	\$750,000	\$13,636	
State HOME	\$450,000	\$8,182	
NHA	\$625,000	\$11,364	
AHTF	\$750,000	\$13,636	
CDBG	\$625,000	\$11,364	
HSF	\$500,000	\$9,091	
CPA	\$3,000,000	\$54,545	
Deferred Developer Fee	\$657,064	\$11,947	32.85%
СВН	\$750,000	\$13,636	
Permanent Loan	\$8,600,000	\$156,364	
TOTAL	\$28,562,064	\$519,310	

<u>USES</u>		<u>P/U</u>
Acquisition	\$1	\$0
Construction	\$23,640,768	\$429,832
Soft Costs	\$3,652,822	\$66,415
Fees	\$2,526,345	\$45,934
TOTAL	\$29,819,936	\$542,181

GAP (\$1,257,872)

Per Unit Cost	\$542,181
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Per Unit Resid. \$ w/o Jackson Gardens \$505,833

ANNUAL INCOME		<u>P/U</u>
Rental Income	\$1,103,376	\$20,061
Other Income	\$74,762	\$1,359
(Vacancy)	(\$50,484)	(\$918)
Net Income	\$1,127,654	\$20,503
Operations	(\$583,284)	(\$10,605)
NOI	\$544,370	\$9,898
Debt Service	(\$469,406)	(\$8,535)
Net Cashflow	\$74,964	\$1,363
Coverage ratio	1.16	

ANNUAL OPERATING I	<u>P/U</u>	
Management Fee	\$50,744	\$923
Administration	\$79,790	\$1,451
Maintenance	\$82,000	\$1,491
Utilities	\$87,500	\$1,591
Services	\$120,000	\$2,182
Taxes	\$82,500	\$1,500
Insurance	\$30,000	\$545
Replacement Res.	\$19,250	\$350
Other	\$31,500	\$573
TOTAL	\$583,284	\$10,605.17

PF54



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor 🔷 Karyn E. Polito, Lt. Governor 🔷 Jennifer D. Maddox, Undersecretary

March 2, 2020

Ms. Amy Zarechian Newton Housing Authority 82 Lincoln Street Newton, MA 02461

RE: Haywood House, Newton

Dear Ms. Zarechian:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in the amount of \$750,000 from the Affordable Housing Trust Fund ("AHTF") have been conditionally reserved by the Department of Housing and Community Development ("DHCD") for a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation and an AHTF Award are satisfied, the AHTF loan will be made to the Project's borrower/owner, the Newton Housing Authority (the "Developer").

This Conditional Funding Reservation is issued pursuant to and in reliance on your funding application submitted to DHCD on October 31, 2019. The Conditional Funding Reservation is also based upon your agreement that the Project will consist of 55 units of rental housing, of which all will be Affordable Housing Trust Fund-assisted. AHTF units must be affordable to households at or below 110% of Area Median Income for at least 30 years. The amount awarded shall be the minimum amount necessary to make a project feasible. The borrower must be current on all existing mortgage obligations with the Commonwealth or any subdivision of the Commonwealth. To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The term may be extended under certain conditions with the approval of DHCD. The loan may be without interest or at an interest rate acceptable to DHCD which will be determined prior to loan closing, and there will be no periodic payments due under the loan. Typically, there will be one payment due at maturity, in an amount (subject to adjustment for interest costs, penalties, and other charges under the terms of the loan documents) representing the entire balance of the loan. However, DHCD reserves the right to require repayment of the Affordable Housing Trust Fund loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so.

As collateral for the loan, DHCD will take a mortgage and security agreement on the real property included in the Project. The priority position of the Affordable Housing Trust Fund mortgage will be determined at the time of MassDocs loan closing. A change in ownership of the Project or in

the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD, failure to maintain the Eligible Use for the Project, or default under senior mortgage loans, shall be among the events of default under the Affordable Housing Trust Fund loan.

This Conditional Funding Reservation is contingent upon the Developer meeting the following general conditions to the satisfaction of DHCD by November 15, 2020:

- 1. Submission to and approval by DHCD of the following:
 - a. Updated One-Stop: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs from the calculation submitted and approved in the One Stop Application. If additional project sources become available, DHCD may reduce its award.
 - b. Evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
 - c. Detailed time lines for the construction of the Project, including construction completion date, funding schedule, and move-in date;
 - d. Documentation of the bid process, contractor, selection process, and plan for monitoring of construction or rehabilitation;
 - e. Documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion, the general contractor will be required to obtain or have a Letter of Credit for a minimum of 15% of the construction contract;
 - f. Documentation of plans for meeting applicable state and federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Environmental Review, Uniform Relocation Act, and conflict of interest; and
 - g. Documentation that all contractors/subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project.
- 2. Submission of a purchase and sale agreement or an instrument satisfactory to DHCD which indicates that by the date of the Affordable Housing Trust Fund loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to DHCD's counsel;
- 3. Submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
- 4. Submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;
- 5. Submission of and approval by DHCD of the project's service plan and evidence of a satisfactory funding commitment for the services, as applicable;

- 6. Submission of final plans and specifications satisfactory to DHCD and in accordance with the current QAP including evidence:
 - a. that high speed internet access will be provided in all units;
 - b. that the final plans and specifications meet or exceed Energy Star standards and incorporate the green design features outlined in the One Stop application, i.e. Appendix H;
 - c. that the building will meet federal and state requirements for accessibility;
- 7. Submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
- 8. Submission to and approval by DHCD of proposed signage and press release material for groundbreakings, ribbon cuttings, etc., clearly referencing DHCD's financial support of the project;
- 9. Please note that DHCD uses MassDocs loan documents. These documents are intended to be template document to be employed "as is" with the exception of project specific provisions. Sample MassDocs forms may be reviewed at www.massdocs.com; and
- 10. Upon completion of the development, any cost savings from the original development budget may be paid per the forthcoming MassDocs loan documents. At the option of DHCD, the savings may be held as a capital reserve for the development.

Closing and funding of the Affordable Housing Trust Fund loan will be conditional upon the fulfillment of all terms and conditions of the Conditional Funding Reservation and upon satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan. Funding of the Affordable Housing Trust Fund loan is also conditional upon the continued availability of general revenue funds or tax-exempt bonds or MassHousing flexible funds or MassHousing direct loan funds and release of funds by the Executive Office of Administration and Finance for the Affordable Housing Trust Fund. The AHTF tax exempt and general revenue loans can only be disbursed in accordance with a Capital Plan that has been approved by the Executive Office of Administration and Finance for each fiscal year of funding. Any changes in the loan amount or the timing of its disbursement may require a change in the Capital Plan and will be subject to approval of DHCD and the Executive Office of Administration and Finance. In the event that changes may be proposed, please contact the AHTF program manager.

This Conditional Funding Reservation will be in effect until November 15, 2020 and the Affordable Housing Trust Fund loan for the project may close no later than that date. If you become aware that the Project will not be able to meet all requirements for closing by that date, you should immediately contact Lynn Shields, Manager, at (617) 854-1381.

Trust Fund and on your commitment to creating housing opportunities for low-income income and families. I look forward to seeing the project move toward completion.	lividuals
Sincerely, Sincerely, Surfice Maddox Jennifer D. Maddox Undersecretary	
cc: State Senator Cynthia Stone Creem State Representative John J. Lawn, Jr.	·
\ This award letter shall be deemed accepted when it has been signed and a copy returned to	DHCD.
Borrower Signature:	
Date:	

I congratulate you on receiving this Conditional Funding Reservation from the Affordable Housing

ADDITIONAL AHTF CONDITIONS

- 1. The sponsor must close on the AHTF financing within one year of the date of this award or apply to the AHTF for an extension to the award. Inability to meet the one-year deadline may result in a reconsideration of this award.
- 2. The borrower will be responsible for payment of all costs of construction monitoring for the AHTF.
- 3. It is anticipated that the source of AHTF funds to be provided to the project will be tax-exempt funds.
- 4. The borrower of the AHTF funds must be a single purpose, sole asset entity with the exception of projects sponsored by public housing authorities in which case the public housing authority sponsor may be the borrower.
- 5. The fiscal year of the AHTF financing will be 2021.
- 6. All sources and uses must be acceptable to MassHousing.
- 7. AHTF financing must be applied to eligible uses. Commercial costs, reserves, and infrastructure are not eligible uses.
- 8. Identification of a general contractor acceptable to MassHousing and DHCD if the general contractor is not identified at the time of application or if the general contractor is changed from that in the application.
- 9. Upon receipt by the borrower, disbursing agent or escrow agent, AHTF funds must be deposited into non-interest-bearing accounts (IOLTA accounts may not be used).
- 10. The execution of an Affordable Housing Restriction satisfactory to MassHousing and DHCD that shall provide that units shall be leased, rented or otherwise made available exclusively to persons or families whose annual income, at the time of initial occupancy of the unit, is less than or equal to area median income based on family size pursuant to the so-called Section 8 Program under Section 8 of the U.S. Housing Act of 1937, or any successor program, and the regulations promulgated thereunder according to the schedule below.

Income Type	Bedrooms	Units	RA Type	Unit Type
30% Rental Assisted	1-Bed	11	Section 8	
60% Non-Rental Assisted	1-Bed	21	MRVP	
100% AMI	1-Bed	23		

- 11. The Affordable Housing Restriction shall be in effect in perpetuity.
- 12. The debt coverage ratio, trending assumptions, and vacancy rates must be acceptable to MassHousing.

- 13. Project sponsors are strongly encouraged to seek additional non-MassDocs sources for the project. Please note that in the event the sponsor obtains additional funding for the project, the Affordable Housing Trust Fund award may be reduced, as necessary and appropriate to maintain compliance and consistency with Affordable Housing Trust Fund requirements.
- 14. Submission of an as-is appraisal acceptable to MassHousing and DHCD.
- 15. If there is an identity of interest between the sponsor and the general contractor or if a construction contractor is selected on any basis other than a competitive bid, the sponsor must submit a plan acceptable to MassHousing and DHCD to ensure that construction pricing is competitive and, prior to loan closing, evidence that the price is, in fact, competitive.
- 16. The developer must respond to issues raised in recent design/cost review commissioned by DHCD in a form and manner acceptable to MassHousing.
- 17. The developer must clarify that there is no commercial space and fix the OneStop accordingly.
- 18. Submission of a vehicle access plan acceptable to MassHousing that addresses deliveries, pick up/drop off, trash collection, and emergency.



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ◆ Karyn E. Polito, Lt. Governor ◆ Jennifer D. Maddox, Undersecretary

March 2, 2020

Ms. Amy Zarechian Executive Director Newton Housing Authority 82 Lincoln Street Newton Highlands, MA 02461

RE: Haywood House, Newton

Dear Ms. Zarechian:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in an amount not to exceed \$750,000 from the Community Based Housing (CBH) program have been conditionally reserved by the Department of Housing and Community Development (DHCD) as a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation are satisfied, the CBH loan will be made to the project's borrower/owner, NHA Haywood House LLC (the "Developer").

This Conditional Funding Reservation is issued pursuant to and in reliance on your application submitted to DHCD on October 31, 2019. It is also based upon your agreement that the Project will consist of 55 units of housing, of which 3 will be Community Based Housing-assisted. In general, all CBH-assisted units will be reserved for 30 years and remain available to a Person Considered Eligible (PCE) in accordance with the CBH regulations for the entire term of the CBH loan. These units shall be modified to reasonably accommodate disabled persons, and be fully compliant with CBH design guidelines (the "Eligible Uses"). Eligibility as a PCE shall be approved by EOHHS acting through its designee, Mass Rehabilitation Commission. These units shall be reserved for PCEs whose incomes may range from 15%-80% of AMI. Developers must have a rent structure that can accommodate this range and provide commitments of project-based subsidy to demonstrate this. All residents of CBH units shall receive the benefit of income or rental assistance such that no CBH resident shall be required to pay more than 35% of adjusted income towards rent. To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The loan term will be 30 years. The term may be extended under certain conditions with the approval of DHCD. The loan may be without interest or at an interest rate acceptable to DHCD which will be determined prior to loan closing, and there will be no periodic payments due under the loan and there will be no loan origination or other processing fees charged to the developer, with the exception of possible legal fees. Typically, there will be one payment due at maturity, in an amount (subject to adjustment for interest costs, penalties, and other charges under the terms of



the loan documents) representing the entire balance of the loan. However, DHCD reserves the right to require repayment of the Community Based Housing loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so. DHCD's practice has been to pay the entire cost of the outside legal counsel assigned to close the loan. In an effort to reduce legal costs for the program and to preserve the program's ability to foster the creation of additional housing, we will budget \$7,000 for the closing of this loan. It is our desire and hope that the cost will actually be less. It is the borrower's responsibility to ensure that our legal counsel is provided with all the necessary documentation in a timely and professional manner. Any costs above this amount will be the responsibility of the borrower. Funds in an amount necessary to cover fees in excess of the \$7,000 will be paid by the borrower at the closing of the CBH loan from the proceeds of the loan or through terms mutually agreed upon by the borrower and DHCD.

As collateral for the loan, DHCD will take a mortgage and security position on the real property included in the Project. The priority position of the CBH mortgage may not be any more junior than a third mortgage, unless DHCD agrees otherwise in writing. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD, failure to maintain the Eligible Use of the Project, or default under senior mortgage loans, shall be among the events of default under the Community Based Housing loan.

This Conditional Funding Reservation will result in a CBH loan to the Project, provided the Developer meets the following conditions to the satisfaction of DHCD.

- 1. submission to and approval by DHCD of the following:
 - a. updated development and operating pro formas: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs, from the calculation submitted and approved in the One Stop Application, if additional project sources become available, DHCD may reduce its award;
 - b. evidence of a firm commitment of all acquisition, construction and permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
 - c. detailed time lines for the rehabilitation of the Project, including construction completion date, funding schedule, and move-in date;
 - d. documentation of the bid process, contractor selection process, and plan for monitoring of rehabilitation;
 - e. documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion the general contractor will be required to obtain a Letter of Credit for a minimum of 15% of the construction contract;
 - f. documentation of plans for meeting applicable state and/or federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Environmental Review, Uniform Relocation Act, and conflict of interest;
 - g. documentation that all contractors/subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project;

- 2. submission of an instrument satisfactory to DHCD which indicates that by the date of the FCF-DMH loan closing, the Developer will have clear title to the Project, quality of the title to be satisfactory to DHCD's counsel;
- 3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
- 4. submission of final plans and specification satisfactory to DHCD;
- 5. submission of documentation that the building will meet federal and state requirements for accessibility;
- 6. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
- 7. submission of satisfactory evidence that all other legal, design, regulatory, and environmental requirements for the Project are fulfilled and all approvals and site surveys required for the Project are obtained;
- 8. submission of and approval by DHCD of evidence of a satisfactory funding commitment for the Project's service plan.
- 9. submission of and approval by DHCD of incorporation in the project, to the extent feasible and possible, of all elements of green design in accordance with the most recent Qualified Allocation Plan.

Closing and funding of the CBH loan will be conditioned upon the fulfillment of all terms and conditions of the Conditional Funding Reservation and upon satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan.

Funding for the CBH loan is also conditioned upon continued availability of state bond funds, and upon the release of funds for the CBH Program to DHCD by the Executive Office of Administration and Finance. The CBH Loan can only be disbursed in accordance with a Capital Plan that has been approved by Executive Office of Administration and Finance for each fiscal years funding. The state fiscal year for the project's CBH funds will be confirmed during the loan closing process. Any changes in the loan amount or the timing of its disbursement may require a change in the Capital Plan, and will be subject to approval of DHCD and the Executive Office of Administration and Finance. In the event that changes may be proposed, please contact DHCD and your CEDAC project manager immediately.

Closing and funding of the CBH loan will be conditional upon the fulfillment of this Conditional Funding Reservation and upon the satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan. If you realize that you will not be able to meet these requirements, please notify Bronia Clifton, Supportive Housing and Special Projects Director at 617-573-1305. Please note that DHCD uses MassDocs loan documents. These documents are intended to be template documents to be employed "as is" with

the exception of project specific provisions. Sample MassDocs may be reviewed at www.massdocs.com.

I congratulate you on receiving this Conditional Funding Reservation from the CBH Program and I look forward to seeing the Project move towards completion.

Madday

Jennifer D. Maddox Undersecretary

This Conditional Funding Reservation shall be deemed accepted when it has been signed and a copy returned to DHCD.

Borrower Signature				
Date:	<u>.</u>			

cc: Roger Herzog, CEDAC
State Representative John Lawn, Jr.
State Senator Cynthia Creem
Congressman Joseph Kennedy III
U.S. Senator Edward Markey
U.S. Senator Elizabeth Warren



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ◆ Karyn E. Polito, Lt. Governor ◆ Jennifer D. Maddox, Undersecretary

March 2, 2020

Ms. Amy Zarechian Executive Director Newton Housing Authority 82 Lincoln Street Newton Highlands, MA 02461

RE: Haywood House, Newton

Dear Ms. Zarechian:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in an amount not to exceed \$750,000 from the Facilities Consolidation Fund (FCF-DMH) have been conditionally reserved by the Department of Housing and Community Development (DHCD) as a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation are satisfied, the FCF-DMH loan will be made to the project's borrower/owner, NHA Haywood House LLC (the "Developer").

This Conditional Funding Reservation is issued pursuant to and in reliance on your application submitted to DHCD on October 31, 2019. The Project must proceed to a full financial closing by November 15, 2020 or this Conditional Funding Reservation will expire and may not be renewed by DHCD. It is also based upon your agreement that the Project will consist of 55 units of housing, of which 3 will be Facilities Consolidation Fund-assisted. In general, all FCF-DMH-assisted units will be reserved for 30 years for consumers of the Massachusetts Department of Mental Health whose incomes are no higher than 50% of area median. To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The loan term will be 30 years. The term may be extended for one or more periods of up to 10 years each under certain conditions with the approval of DHCD. The loan may be without interest, or at an interest rate acceptable to DHCD which will be determined prior to loan closing. No periodic payments will be due under the loan. The FCF-DMH loan may not be prepaid during the term of the loan. However, DHCD reserves the right to require repayment of the Facilities Consolidation Fund loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so. There will be no loan origination or other loan processing fees charged to the Developer, with the exception of possible legal fees.

DHCD's practice has been to pay the entire cost of the outside legal counsel assigned to close the loan. In an effort to reduce legal costs for the program and to preserve the program's ability to foster the creation of additional housing, we will budget \$7,000 for the closing of this loan. It is



our desire and hope that the cost will actually be less. It is the borrower's responsibility to ensure that our legal counsel is provided with all the necessary documentation in a timely and professional manner. Any costs above this amount will be the responsibility of the borrower. Funds in an amount necessary to cover fees in excess of the \$7,000 will be paid by the borrower at the closing of the FCF-DMH loan from the proceeds of the loan or through terms mutually agreed upon by the borrower and DHCD.

As collateral for the loan, DHCD will take a mortgage and security position on the real property included in the Project. The priority position of the FCF-DMH mortgage may not be any more junior than a third mortgage, unless DHCD agrees otherwise in writing. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD, failure to maintain the Eligible Use of the Project, or default under senior mortgage loans, shall be among the events of default under the FCF-DMH loan.

This Conditional Funding Reservation will result in a FCF-DMH loan to the Project, provided the Developer meets the following conditions to the satisfaction of DHCD by November 15, 2020:

- 1. submission to and approval by DHCD of the following:
 - a. updated development and operating pro formas: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs, from the calculation submitted and approved in the One Stop Application, if additional project sources become available, DHCD may reduce its award;
 - b. evidence of a firm commitment of all acquisition, construction and permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
 - c. detailed time lines for the rehabilitation of the Project, including construction completion date, funding schedule, and move-in date;
 - d. documentation of the bid process, contractor selection process, and plan for monitoring of rehabilitation;
 - e. documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion the general contractor will be required to obtain a Letter of Credit for a minimum of 15% of the construction contract;
 - f. documentation of plans for meeting applicable state and/or federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Environmental Review, Uniform Relocation Act, and conflict of interest;
 - g. documentation that all contractors/subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project;
- 2. submission of an instrument satisfactory to DHCD which indicates that by the date of the FCF-DMH loan closing, the Developer will have clear title to the Project, quality of the title to be satisfactory to DHCD's counsel;

- 3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
- 4. submission of final plans and specification satisfactory to DHCD;
- 5. submission of documentation that the building will meet federal and state requirements for accessibility;
- 6. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
- 7. submission of satisfactory evidence that all other legal, design, regulatory, and environmental requirements for the Project are fulfilled and all approvals and site surveys required for the Project are obtained;
- 8. submission of and approval by DHCD of evidence of a satisfactory funding commitment for the Project's service plan.
- 9. submission of and approval by DHCD of incorporation in the project, to the extent feasible and possible, of all elements of green design in accordance with the most recent Qualified Allocation Plan.

Closing and funding of the FCF-DMH loan will be conditioned upon the fulfillment of all terms and conditions of the Conditional Funding Reservation and upon satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan.

Funding for the FCF-DMH loan is also conditioned upon release of funds for the FCF-DMH Program to DHCD by the Executive Office of Administration and Finance. This FCF-DMH loan is included in the Commonwealth's Capital Plan, with the exact amount of the loan approved for a specific fiscal year. This FCF-DMH loan can only be disbursed in accordance with the currently approved Capital Plan. Any changes in the loan amount or the timing of its disbursement may require a change in the Capital Plan, and will be subject to approval by DHCD and the Executive Office of Administration and Finance. In the event that changes may be proposed, please contact your CEDAC project manager immediately.

Again, the project must proceed to a full financial closing by November 15, 2020 or this Conditional Funding Reservation will expire and may not renew. If you realize that you will not be able to meet all the requirements within this time, please notify Bronia Clifton, Supportive Housing and Special Projects Manager at 617-573-1305. Closing and funding of the FCF-DMH loan will be conditional upon the fulfillment of this Conditional Funding Reservation and upon the satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan. Please note that DHCD uses MassDocs loan documents. These documents are intended to be template documents to be employed "as is" with the exception of project specific provisions. Sample MassDocs may be reviewed at www.massdocs.com.

I congratulate you on receiving this Conditional Funding Reservation from the FCF-DMH Program and I look forward to seeing the Project move towards completion.

Sincere	ely,	0 100	11.
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		•	
/ Jennife	r D. Maddo	X	
Unders	ecretary		

This Conditional Funding Reservation shall be deemed accepted when it has been signed and a copy returned to DHCD.

Borrower Signature		
Date:		

cc: Roger Herzog, CEDAC
State Representative John Lawn, Jr.
State Senator Cynthia Creem
Congressman Joseph Kennedy III
U.S. Senator Edward Markey
U.S. Senator Elizabeth Warren



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ◆ Karyn E. Polito, Lt. Governor ◆ Jennifer D. Maddox, Undersecretary

March 2, 2020

Amy Zarechian
Executive Director
Newton Housing Authority
82 Lincoln Street
Newton Highlands, MA 02461

RE: Haywood House, Newton (the "Project")

Dear Ms. Zarechian:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in the amount of \$450,000 from the HOME Investment Partnerships Program ("HOME") have been contingently reserved by the Department of Housing and Community Development ("DHCD") for a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation and a state comptroller's Standard Contract for HOME projects are satisfied, the HOME loan will be made to the Project's borrower/owner, NHA Haywood House LLC.

This Conditional Funding Reservation is issued pursuant to and in reliance on your funding application submitted to DHCD on October 31, 2019. The project must proceed to a full financial closing by November 15, 2020 or this Conditional Funding Reservation will expire and may not be renewed by DHCD. The Conditional Funding Reservation is based upon your agreement that the Project will consist of fifty-five (55) units of rental housing, eleven (11) of which will be HOME-assisted, which will be reserved for 30 years for individuals and families whose incomes are no higher than 50% of area median for not less than 20% of the units, and no higher than 60% of area median for the remaining units (the "Eligible Use"). To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project. All HOME units that also have project-based rental assistance will need to be classified as 'Low HOME' units in the HOME Standard Contract and relevant loan documents.

The loan term will be 30 years. The term may be extended under certain conditions with the approval of DHCD. Typically, the loan will carry an interest rate determined by the developer and DHCD. The interest rate may be the "applicable federal rate." Typically, there will be one payment due at maturity, in an amount (subject to adjustment for interest costs, penalties, and other charges under the terms of the loan documents) representing the entire balance of the loan. However, DHCD reserves the right to require repayment of the HOME loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so.

As collateral for the loan, DHCD will take a mortgage and security agreement on the real property included in the Project. The priority position of the HOME mortgage will be determined at the time of execution of a HOME Standard Contract. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD, failure to maintain the Eligible Use for the Project, or default under senior mortgage loans, shall be among the events of default under the HOME loan.

This Conditional Funding Reservation will result in the execution of a HOME Standard Contract for the Project, provided that the Developer meets the following general conditions to the satisfaction of DHCD by November 15, 2020:

- 1. submission to and approval by DHCD of the following:
 - a. updated development and operating pro formas: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs (as calculated within HOME program guidelines), from the calculation submitted and approved in the One Stop Application, if additional project sources become available, DHCD may reduce its award;
 - b. evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
 - c. detailed time lines for the construction of the Project, including construction completion date, funding schedule, and move-in date;
 - d. documentation of the bid process, contractor selection process, and plan for monitoring of construction;
 - e. documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion will be required to obtain a Letter of Credit for a minimum of 15% of the construction contract;
 - f. documentation of plans for meeting applicable state and federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Uniform Relocation Act, Violence Against Women Act (VAWA) and conflict of interest;
 - g. documentation to support DHCD's completion of the required HUD Environmental Review process, as the project cannot proceed with any choice-limiting actions until this process has been completed and HUD has issued its release of funds letter;
 - h. documentation that all members of the development team, including contractors and subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project;
- 2. submission of a purchase and sale agreement or other instrument satisfactory to DHCD which indicates that by the date of the HOME loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to DHCD's counsel;

- 3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
- 4. submission of final plans and specifications satisfactory to DHCD including evidence:
 - a. that high speed internet access will be provided in all units; and
 - b. that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application dated October 31, 2019;
- 5. submission of documentation that the building will meet federal and state requirements for accessibility;
- 6. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
- 7. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;
- 8. submission to and approval by DHCD of proposed signage and press release material for groundbreakings, ribbon cuttings, etc., clearly referencing DHCD's financial support of this project;
- 9. Please note that these DHCD HOME funds will be available no earlier than MA FY19;
- 10. Please note that DHCD uses MassDocs loan documents. These documents are intended to be template documents to be employed 'as is' with the exception of project specific provisions. Sample MassDocs may be reviewed at www.massdocs.com;
- 11. Upon completion of the development, any cost savings from the original budget for the development, including 100% of the unused soft cost contingency, shall be paid pro rata to the MassDocs Participating Lenders as a prepayment of their respective loan and/or grant. At the option of DHCD, the savings may be held as a capital reserve for the development.

Again, the project must proceed to a full financial closing by November 15, 2020 or this Conditional Funding Reservation will expire. If you become aware that the Project will not be able to meet all requirements for closing by that date, you should immediately contact Rebecca Frawley Wachtel, the HOME Program Director, at (617) 573-1318. Closing and funding of the HOME loan will be conditional upon the fulfillment of this Conditional Funding Reservation and the HOME Standard Contract and upon satisfactory submission of all documents required by a

loan closing agenda to be prepared by DHCD's special counsel for this loan. Funding of the HOME loan also is conditional upon the continued availability of federal funds and release of funds by the Executive Office of Administration and Finance for the HOME Program.

I congratulate you on receiving this Conditional Funding Reservation from the HOME Program and on your commitment to creating housing opportunities for low-income individuals and families. I look forward to seeing the project move toward completion.

Sincerely,

Lengtex C. Madolox

Jennifer D. Maddox

Undersecretary

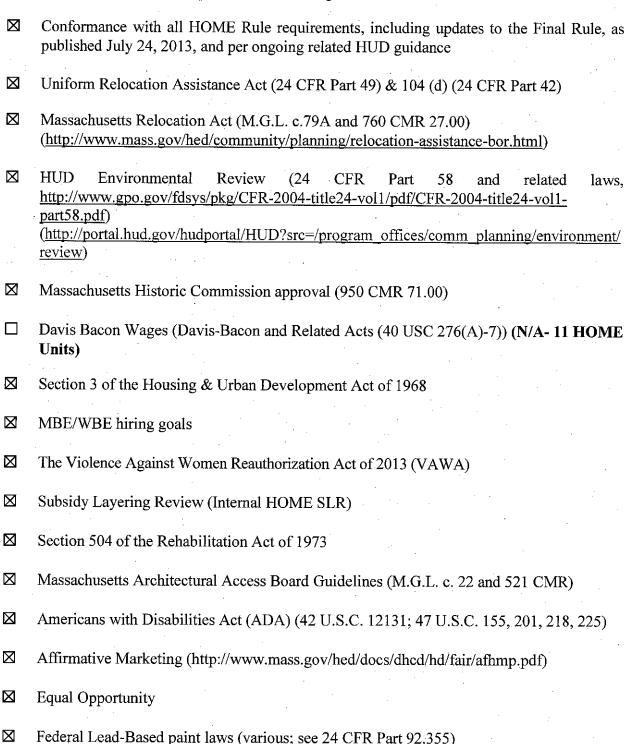
cc: Senator Elizabeth Warren
Senator Edward J. Markey
Congressman Joseph P. Kennedy III
State Senator Cynthia Stone Creem
State Representative Ruth B. Balser

This award letter shall be deemed accepted when it has been signed and a copy returned to DHCD.

Borrower Signature	 	
C		
Date		

Additional Project Conditions: Haywood House, Newton (the "Project")

Based on the DHCD funding sources awarded to the Project, Haywood House is subject to various federal and/or state requirements, including, but not limited to:



Massachusetts Lead-Based paint laws (various, including 105 CMR 460.000 and 454 CMR 22.00)

The Project may be subject to additional requirements not indicated above, based on non-DHCD funding sources. Please check with all your funders to determine applicability of federal and state requirements.\

If you believe that your project is not subject to any of the requirements indicated above, or if you have questions about these requirements, please contact Rebecca Frawley Wachtel at 617-573-1318.



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ◆ Karyn E. Polito, Lt. Governor ◆ Jennifer D. Maddox, Undersecretary

March 2, 2020

Amy Zarechian
Executive Director
Newton Housing Authority
82 Lincoln Street
Newton Highlands, MA 02461

RE: Haywood House, Newton (the "Project")

Dear Ms. Zarechian:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in the amount of \$500,000 from the Housing Stabilization Fund ("HSF") have been conditionally reserved by the Department of Housing and Community Development ("DHCD") for a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation and a state comptroller's Standard Contract for HSF projects are satisfied, the HSF loan will be made to the Project's borrower/owner, NHA Haywood House LLC.

This Conditional Funding Reservation is issued pursuant to and in reliance on your funding application submitted to DHCD on October 31, 2019. The project must proceed to a full financial closing no later than November 15, 2020 or this Conditional Funding Reservation will expire and may not be renewed by DHCD. The Conditional Funding Reservation is also based upon your agreement that the Project will consist of 55 units of rental housing, 32 of which will be HSF-assisted. Twenty-one (21) HSF-assisted units will be reserved for 50 years for individuals and families whose incomes are no higher than 60% of area median income and eleven (11) HSF-assisted units will be reserved for 50 years individuals and families whose incomes are no higher than 30% of area median income (the "Eligible Use"). To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The loan term will be 50 years. The term may be extended under certain conditions with the approval of DHCD. The loan may be without interest or an interest rate acceptable to DHCD which will be determined prior to closing. Typically, there will be one payment due at maturity, in an amount (subject to adjustment for costs, penalties, and other charges under the terms of the loan documents) representing the entire balance of the loan. However, DHCD reserves the right to require repayment of the HSF loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so.

As collateral for the loan, DHCD will take a mortgage and security agreement on the real property included in the Project. The priority position of the HSF mortgage will be determined at the time of execution of a HSF Standard Contract. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD, failure to maintain the Eligible Use for the Project, or default under senior mortgage loans, shall be among the events of default under the HSF loan.

This Conditional Funding Reservation will result in the execution of a HSF Standard Contract for the Project, provided that the Developer meets the following general conditions to the satisfaction of DHCD by November 15, 2020:

- 1. submission to and approval by DHCD of the following:
 - a. updated One-Stop: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs from the calculation submitted and approved in the One Stop Application, if additional project sources become available, DHCD may reduce its award;
 - b. evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
 - c. detailed time lines for the rehabilitation of the Project, including construction completion date, funding schedule, and move-in date;
 - d. documentation of the bid process, contractor selection process, and plan for monitoring of rehabilitation;
 - e. documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion the general contractor will be required to obtain a Letter of Credit for a minimum of 15% of the construction contract;
 - f. documentation of plans for meeting applicable state and federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Environmental Review, Uniform Relocation Act, and conflict of interest;
 - g. documentation that all contractors/subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project;
- 2. submission of an instrument satisfactory to DHCD which indicates that by the date of the HSF loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to DHCD's counsel;
- 3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
- 4. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;

- 5. submission of and approval by DHCD of the project's service plan and evidence of a satisfactory funding commitment for the services, as applicable;
- 6. submission of final plans and specifications satisfactory to DHCD and in accordance with the current QAP including evidence:
 - a. that high speed internet access will be provided in all units;
 - b. that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application dated October 31, 2019, i.e. Appendix H;
 - c. that the building will meet federal and state requirements for accessibility;
- 7. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
- 8. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;
- 9. submission to and approval by DHCD of proposed signage and press release material for groundbreakings, ribbon cuttings, etc., clearly referencing DHCD's financial support of the project;
- 10. please note that DHCD uses MassDocs loan documents. These documents are intended to be template documents to be employed "as is" with the exception of project specific provisions. Sample MassDocs may be reviewed at www.massdocs.com; and
- 11. upon completion of the development, any cost savings from the original development budget may be paid per the forthcoming MassDocs loan documents. At the option of DHCD, the savings may be held as a capital reserve for the development.

Closing and funding of the HSF loan will be conditional upon the fulfillment of all terms and conditions of the Conditional Funding Reservation and the HSF Standard Contract and upon satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan. Funding of the Housing Stabilization Fund loan is also conditional upon the continued availability of state bond funds and release of funds by the Executive Office of Administration and Finance for the Housing Stabilization Fund. The HSF Loan can only be disbursed in accordance with a Capital Plan that has been approved by Executive Office of Administration and Finance for each fiscal years funding. The state fiscal year for the project's HSF funds will be confirmed during the loan closing process. Any changes in the loan amount or the timing of its disbursement may require a change in the Capital Plan, and will be subject to approval of DHCD and the Executive Office of Administration and Finance. In the event that changes may be proposed, please contact DHCD immediately.

This Conditional Funding Reservation will be in effect until November 15, 2020 and the Housing Stabilization Fund loan for the project may close no later than that date. If you become aware that the Project will not be able to meet all requirements for closing by that date, you should immediately contact Bill Cole, HSF Program Director, at 617.573.1303.

I congratulate you on receiving this Conditional Funding Reservation from the HSF Program and on your commitment to creating housing opportunities for low-income individuals and families. I look forward to seeing the project move toward completion.

Sincerely, Jennife & Madday

Jennifer D. Maddox Undersecretary

This award letter shall be deemed accepted when it has been signed and a copy returned to DHCD.

Borrower Signature

Date

cc: Senator Elizabeth Warren Senator Edward J. Markey Congressman Joseph P. Kennedy III State Senator Cynthia Stone Creem State Representative Ruth B. Balser

Additional Project Conditions Haywood House/Newton (the "Project")

Based on the DHCD funding sources awarded to the Project, Haywood House is subject to various federal and/or state requirements, including, but not limited to: Conformance with all HOME Rule requirements, including updates to the Final Rule, as published July 24, 2013, and per ongoing related HUD guidance Uniform Relocation Assistance Act (24 CFR Part 49) & 104 (d) (24 CFR Part 42) Massachusetts Relocation Act (M.G.L. c.79A and 760 CMR 27.00) (http://www.mass.gov/hed/community/planning/relocation-assistance-bor.html) Environmental Review (24 CFR Part 58 related http://www.gpo.gov/fdsys/pkg/CFR-2004-title24-vol1/pdf/CFR-2004-title24-vol1part58.pdf) (http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/ review) \boxtimes Massachusetts Historic Commission approval (950 CMR 71.00) Davis Bacon Wages (Davis-Bacon and Related Acts (40 USC 276(A)-7)) \times Section 3 of the Housing & Urban Development Act of 1968 \boxtimes MBE/WBE hiring goals Subsidy Layering Review Section 504 of the Rehabilitation Act of 1973 Massachusetts Architectural Access Board Guidelines (M.G.L. c. 22 and 521 CMR) \boxtimes \boxtimes Americans with Disabilities Act (ADA) (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, 225) Affirmative Marketing (http://www.mass.gov/hed/docs/dhcd/hd/fair/afhmp.pdf) \boxtimes X Nondiscrimination and Equal Opportunity Federal Lead-Based paint laws (various; see 24 CFR Part 92.355) \boxtimes Massachusetts Lead-Based paint laws (various, including 105 CMR 460,000 and 454 CMR 22.00)

The Project may be subject to additional requirements not indicated above, based on non-DHCD funding sources. Please check with all your funders to determine applicability of federal and state requirements.

If you believe that your project is not subject to any of the requirements indicated above, or if you have questions about these requirements, please contact Bill Cole at 617.573.1303.



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ◆ Karyn E. Polito, Lt. Governor ◆ Jennifer D. Maddox, Undersecretary

March 2, 2020

Amy Zarechian
Executive Director
Newton Housing Authority
82 Lincoln Street
Newton Highlands, MA 02461

RE: Haywood House, Newton (the "Project")

Dear Ms. Zarechian:

On behalf of Governor Charles D. Baker, I am pleased to announce the selection of Haywood House (the "Project"), located in Boston, MA, for a **Conditional Reservation** of Low-Income Housing Tax Credits. The Department of Housing and Community Development ("DHCD") is setting aside \$850,000 of its 2020, or a later year of, federal Low-Income Housing Tax Credits and \$1,000,000 of its 2020, or a later year of, Massachusetts State Low-Income Housing Tax Credits for the Project. This letter represents a **Conditional Reservation** of the stated amounts of tax credits. These amounts are based upon DHCD's determination that these are the lowest amounts of tax credits necessary for the feasibility of the Project. This tax credit amount is subject to DHCD review at the time a binding commitment is requested, at the time of carryover allocation (if applicable), and at the time the Project is placed in service pursuant to Section 42 of the Internal Revenue Code. At the time these subsequent reviews take place, DHCD reserves the right to reduce the tax credit amount based on DHCD's determination of the least amount of tax credits necessary for the feasibility of the Project at that time.

As of the date of this Conditional Reservation, there are insufficient 2020 federal tax credits available to fund your entire Conditional Reservation. If a sufficient amount of 2020 federal tax credits to fund your entire Conditional Reservation becomes available to DHCD through returned tax credits between the date of this Conditional Reservation and project loan closing or December 1, 2020, then DHCD will make an allocation of 2020 federal tax credits to the Project subject to all of the conditions set forth below. If additional 2020 federal tax credits sufficient to meet the entire Conditional Reservation do not become available, then, subject to all of the conditions set forth below, DHCD may make an allocation of a later year of federal tax credits to the Project for all or a portion of this amount and will issue, by the end of the calendar year, a binding commitment to allocate a later year of the federal Low-Income Housing Tax Credits to the Project in accordance with Internal Revenue Code Section 42(h)(1)(C) for the balance of the Conditional Reservation amount. Such binding commitment will contain conditions established by DHCD, and all such conditions must be met to DHCD's satisfaction in order for DHCD to allocate tax credits to the Project.

As of the date of this Conditional Reservation, there are also insufficient 2020 state tax credits available to fund your entire Conditional Reservation. If a sufficient amount of 2020 state tax credits to fund your entire Conditional Reservation becomes available to DHCD through returned tax credits between the date of this Conditional Reservation and project loan closing or December 1, 2020, then DHCD will make an allocation of 2020 state tax credits to the Project subject to all of the conditions set forth below. If additional 2020 state tax credits sufficient to meet the entire Conditional Reservation do not become available, then, subject to all of the conditions set forth below, DHCD may make an allocation of a later year of state tax credits to the Project for all or a portion of this amount and will issue, by the end of the calendar year, a binding commitment to allocate a later year of State Low-Income Housing Tax Credits to the Project in accordance with M.G.L. c. 62 sec. 6I, and M.G.L. c. 63 sec. 31H for the balance of the Conditional Reservation amount. Such binding commitment will contain conditions established by DHCD, and all such conditions must be met to DHCD's satisfaction in order for DHCD to allocate tax credits to the Project.

This Conditional Reservation is issued pursuant to and in reliance upon information presented in the Low-Income Housing Tax Credit Program/One Stop Application submitted October 31, 2019, which stated the developer shall lease 32 of the 55 units (or 58.18% of the units) in the Project to individuals or families whose income is 60% or less of the area median gross income as determined in accordance with Section 42 of the Internal Revenue Code. The Application also stated that at least 11 units would be leased to households whose incomes are at or below 30% area median gross income adjusted for family size. Should such information or any other information presented in the above-referenced application change, DHCD must be notified immediately and it reserves the right to reduce and/or withdraw this Conditional Reservation. With the issuance of this award letter, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs (as calculated in accordance with the calculation schedule provided in the 2018-2019 QAP), from the calculation submitted in the approved One Stop Application.

This Conditional Reservation for the Low-Income Housing Tax Credits is subject to the Project's meeting one of the following requirements:

1) The Project is eligible for a Carryover Allocation pursuant to Section 42 of the Internal Revenue Code.

If the Project has not been Placed in Service pursuant to Section 42 of the Internal Revenue Code by the end of the calendar year in which you have credits, the Project may be eligible to receive a Carryover Allocation of tax credits if all conditions stipulated by DHCD in Attachment 1 have been met. The Project will then have two years from the date of the Carryover, in which to be Placed in Service. Documentation verifying that the conditions in Attachment 1 have been met as stipulated must be submitted to Jonathan Tambiah, DHCD, 100 Cambridge Street, Suite 300, Boston, MA 02114 no later than project loan closing or October 1, 2020. DHCD expressly reserves the right to reduce or withdraw this Conditional Reservation if all conditions in Attachment 1 are not met to DHCD's satisfaction by October 1, 2020. If the Project receives a Carryover Allocation, a binding election must be made by December 1st of the year in which you have credits, whether to freeze the tax credit rate at the December rate or select the rate for the month the Project is placed in service.

2) The Project or one or more buildings in the Project is Placed in Service pursuant to Section 42 of the Internal Revenue Code.

If the Project or one or more buildings in the Project is placed in service by the end of the calendar year in which you have credits, the Project or one or more buildings in the Project may be eligible to receive an IRS Form 8609 and Eligibility Statement (Final Allocation) of credits provided that the Project satisfies all

pertinent IRS and DHCD requirements. You must contact Jonathan Tambiah in writing at the above address no later than **December 1**st of the year in which you have credits if your project will be placed in service by December 31st of that year.

All projects will be subject to annual compliance monitoring to allow DHCD to certify the Project's compliance with Section 42(g) of the Internal Revenue Code.

I am pleased by your interest in using the Low-Income Housing Tax Credit to provide affordable housing and look forward to seeing the Project move toward completion.

Sincerely,

Almula Maddox

Jennifer D. Maddox

Undersecretary

cc: Senator Elizabeth Warren
Senator Edward J. Markey
Congressman Joseph P. Kennedy III
State Senator Cynthia Stone Creem
State Representative Ruth B. Balser

By my signature below, I acknowledge the terms and conditions of this Conditional Reservation of Tax Credits. I fully understand that the Conditions required for a Carryover Allocation and/or Binding Commitment must be met by the dates specified in Attachment 1 hereto or my Reservation of Tax Credits will be in jeopardy. I understand that late submission of the required documentation will result in penalty fees (Please sign this acknowledgment and return it to DHCD.)

Signature			
Date.		 •	

Low-Income Housing Tax Credit Program Conditional Reservation March 2, 2020 Attachment 1

The following requirements must be met to DHCD's satisfaction by project loan closing or October 1, 2020 to be eligible to receive a Carryover Allocation and/or Binding Commitment pursuant to Section 42 of the Internal Revenue Code:

- Submission to DHCD of evidence of full financial closing by November 15, 2020.
- Submission to DHCD of a formal opinion in the format prescribed by DHCD (available on our website) from the project accountant demonstrating (1) ownership of the property by the entity receiving the tax credit allocation, and (2) certifying compliance with Section 42 of the Internal Revenue Code and Treasury Regulation 1.42-6 that more than ten percent (10%) of the Owner's total reasonably expected basis in the Project has been incurred.
- Execution of the Release and Indemnification Agreement (available on our website) by an authorized representative of the entity anticipating receiving the tax credit allocation and submission of the Agreement to DHCD. The Agreement releases and indemnifies DHCD from any loss, demand or judgment resulting from the allocation of tax credits. DHCD assumes no liability for determination of the qualified basis of any project. All tax credit developers should consult a qualified tax accountant, tax attorney, and/or syndicator to determine final eligibility for the credit.
- Execution of the Owner Certification (available on our website) by an authorized representative of the entity anticipating receiving the tax credit allocation and submission of the Certification to DHCD. Please submit a revised One-Stop Application that breaks out the rental portion of the project from the homeownership portion.
- Payment to DHCD of the tax credit <u>commitment</u> fee which is a portion of the tax credit <u>processing</u> fee. The total tax-credit <u>processing</u> fee is equal to 8.5% of the annual tax credit amount for for-profit developers and 4.5% of the annual tax credit amount for non-profit developers, or \$38,250. The state tax credit <u>processing</u> fee is equal to 3% of the annual state credit amount for for-profit developers and 1.5% of the annual state credit amount for non-profit developers, or \$15,000. The total <u>processing</u> fee associated with this Project is \$53,250. The commitment fee is equal to one-third of the total processing fee minus the application fee. The amount owed by October 1, 2020 for this project is \$16,700. Please make the check payable to the Department of Housing and Community Development.
- Identification of an accountant with previous LIHTC experience acceptable to DHCD.
- Identification of a general contractor acceptable to DHCD.
- Identification of a management agent acceptable to DHCD. Please provide evidence that all key property manager(s) have received training regarding the compliance requirements of IRC Section 42.

- Submission of documentation identifying the finalized terms and conditions of all non-DHCD funding sources, including an updated One Stop. Please note that you must submit the updated One Stop in electronic and paper form.
- Submission of compliance with the Massachusetts Historical Commission.
- Submission of evidence of compliance with all recommendations contained in the Phase I Environmental Site Assessment Report.
- Submission of final plans and specifications satisfactory to DHCD including evidence:
 - o that high speed internet access will be provided in all units; and
 - that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application submitted October 31, 2019.

Please be advised that any material changes to the plans and specifications must be reviewed and approved by DHCD.

- Submission of an "as-is" appraisal supporting the acquisition cost carried in the approved One-Stop.
- Submission of evidence of compliance with the Massachusetts Architectural Access Board and all applicable federal, state, and local regulations regarding handicapped accessibility.
- Submission of Certificates of Lead Paint Compliance, if applicable.
- Submission of evidence of all necessary zoning approvals from the City of Newton.
- Submission of projected Placed in Service date as agreed to in the partnership or operating agreement.
- Submission of a Fair Housing narrative describing how the marketing, tenant selection, and
 other applicable policies and procedures will incorporate the Department's Fair Housing
 principles, including a pledge to list vacant units upon availability with Citizen's Housing and
 Planning Association's (CHAPA's) Massachusetts Accessible Housing Registry at
 http://www.chapa.org.
- Submission of evidence that the equity contribution was competitively bid to ensure the highest yield possible.
- Commitment from a syndicator and/or investor acceptable to DHCD.
- Satisfactory market study.

NEWTON HOUSING AUTHORITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NEWTON HOUSING AUTHORITY

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INDEPENDENT AUDITORS' REPORT

To The Board of Commissioners Newton Housing Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Newton Housing Authority, as of December 31, 2018, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Newton Housing Authority'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.

Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 financial position of the Newton Housing Authority, as of December 31, 2018, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 2 and 16 to the financial statements, the Authority adopted a new accounting pronouncement, Governmental Accounting Standards Board Statement 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. Our opinion is not modified with respect to this matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the required supplementary information presented on pages 40 through 43, as listed in the table of contents, 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 evidence sufficient to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Newton Housing Authority's basic financial statements. The supplementary information on pages 44 through 52, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of *Title 2 U.S.* Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information presented on pages 44 through 52 and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information presented on pages 44 through 52 and the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have issued our report dated September 30, 2019 on our consideration of the Newton Housing Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Newton Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Newton Housing Authority's internal control over financial reporting and compliance.

Boston, Massachusetts September 30, 2019

Marcune LLP

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

As management of the Newton Housing Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 15.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows at the end of fiscal year 2018 by \$18,116,828 (net position).
- The net position of the Authority consisted of investment in capital assets, net of related debt in the amount of \$13,743,730, restricted net position in the amount of \$2,222,346 and unrestricted net position in the amount of \$2,150,752.
- The Authority's cash and investments at December 31, 2018 was \$8,280,397 representing an increase of \$1,270,759 from December 31, 2017.
- The Authority had intergovernmental revenues of \$9,797,636, program revenues (charges for services) and other revenues of \$4,158,656. The Authority's total expenses (exclusive of depreciation expense) were \$11,868,173 for the year ended December 31, 2018.
- The Authority's capital outlays for the year were \$779,363.

OVERVIEW OF THE NEWTON HOUSING AUTHORITY

The Newton Housing Authority was created in 1959 to provide and promote safe and sanitary housing for low income persons residing in Newton, MA. The Authority is a municipal corporation located in Newton, MA as was established under Chapter 121B of the State Statutes.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Newton Housing Authority's financial statements consist of two parts -1) management's discussion and analysis, which is intended to serve as an introduction to the Authority's basic financial statements, and 2) the Authority's basic financial statements which are comprised of two components: 1) financial statements, and 2) notes to the financial statements. This report also contains the schedule of expenditures of federal awards as supplementary information in addition to the basic financial statements.

The Authority is considered by accounting principles generally accepted in the United States of America (GAAP) to be a special purpose government accounted for as enterprise funds. Its chartered purpose is the housing of low and moderate income families and elderly individuals. All of the activities, programs and grants administered by the Authority are focused for that purpose.

As a single purpose enterprise fund government, the Authority is permitted to issue entity level financial statements. These statements report financial information for each of the Authority's funds and a combined total of all funds that represents the Authority wide financial position. The following is a brief description of each financial statement.

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

STATEMENT OF NET POSITION

- The Statement of Net Position is prepared using the accrual basis of accounting and provides information relating to all financial and capital resources for the Authority as of the reporting date and related debts and other liabilities. The statement of net position is presented in a format where assets plus deferred outflows less liabilities and deferred inflows equals net position. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current."
- Net position (formerly net assets) represent the cumulative effect of revenue and expenses. It
 is also the difference between the sum of assets and deferred outflows less the sum of liabilities
 and deferred inflows. Net position is reported in three broad categories:

<u>Unrestricted Net Position</u> is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority.

<u>Investment in Capital Assets</u>, Net of Related <u>Debt</u> consists of all Capital Assets, reduced by accumulated depreciation and the outstanding balances of any bonds, mortgages, notes or other borrowing that is attributable to the acquisition, construction, or improvement of those assets.

<u>Restricted Net Position</u> consists of restricted assets, when constraints are placed on the assets by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Statement of Revenue Expenses and Changes in Fund Net Position

- This statement is similar to an Income Statement. This statement includes operating revenues, such as rental income; operating expenses, such as administrative, utilities, maintenance and depreciation; and non-operating revenue and expenses, such as grant revenue, investment income and interest expense and capital contributions and operating transfers.
- The focus of this Statement of Revenues, Expenses and Changes in Fund Net Position is the "Change in Net Position," which is similar to Net Income or Loss.

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

Statement of Cash Flows

• This Statement of Cash Flows shows the sources and amounts from which the Authority received cash such as income from tenants, income from grants, loans, etc. and the items and amounts for which cash was used such as payments to vendors and contractors, payments to employees, repayment of loans, etc. The statement is divided into four major sections: operating activities, non-capital financing activities, capital and related financing activities and investing activities. The statement functions down to the net increase or decrease in the Authority's cash accounts for the reporting period.

THE AUTHORITY'S FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Authority maintains an enterprise fund. The programs supporting this are as follows:

<u>Federal Public Housing</u> – This program accounts for all activities relating to the leasing and operation of apartments in buildings that were constructed and are owned by the Authority. These units are rented to low income families and low income elderly, disabled, and special needs individuals. The properties were constructed with grants and or loans provided by the U.S Department of Housing and Urban Development (HUD). The Authority receives grants from HUD to subsidize operating deficits. Tenants are charged rents based on a percentage of their income. In addition HUD provides capital improvement dollars through multiple capital grant programs.

<u>Section 8 Housing Choice Voucher</u> – HUD provides grants to the Authority to subsidize rents paid by low income families and individuals who rent dwelling units from private landlords. Under this program qualified applicants are issued vouchers which may be used by the applicant to obtain housing in the private rental market. The Authority will subsidize the landlord for the difference between the rent requested and the tenants share of the rent not to exceed a predetermined payment standard.

Section 8 New Construction Program – HUD provides a direct mortgage to a third party owner of a residential rental building. As a condition of the mortgage on the building, the owner enters into a long-term contract to rent some or all of the dwelling units to low income individuals or families and receive project based Section 8 rental assistance. Under the contract, the owner receives a subsidy equal to the difference between an approved contract rent and the tenant's share of the rent determined under HUD Section 8 regulations. On behalf of HUD, the Authority monitors the compliance with the agreement, as well as paying the HAP expense to the owner.

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

<u>State and Local Programs</u> – The Authority operates the following state and local programs:

- State Consolidated Chapters 667 and 705 Under these programs the Authority owns, operates and maintains rental housing acquired with grants from Massachusetts Department of Housing & Community Development (DHCD). Dwelling units are leased to low income tenants and the elderly at rates based on their ability to pay. Operations are supported by the DHCD via operating grants.
- State Chapter 689 Housing Under this program the Authority owns operates and maintains rental housing acquired with grants from DHCD. The building is generally rented to a non-profit corporation who provides health and human resource needs to mentally disabled individuals.
- Massachusetts Rental Voucher Program DHCD provides grants to the Authority to subsidize rents paid by low income families and individuals who rent dwelling units from private landlords. Under this program qualified applicants are issued vouchers which may be used by the applicant to obtain housing in the private rental market. The Authority will subsidize the landlord for the difference between the rent requested and the tenant's share of the rent not to exceed a contract amount.
- <u>State Modernization Program</u> DHCD provides grant funds to authorities with State Consolidated units based on the Authority's application and determination of need. The funds are predominantly used to make physical improvements to buildings and dwelling units owned by the Authority under the State Consolidated Housing Program.
- <u>Authority-Owned Section 8 New Construction</u> DHCD provides a direct mortgage to the Authority as owners of a residential rental building. As a condition of the mortgage or the mortgage insurance on the building the Authority has entered into a long-term contract to rent some or all of the dwelling units to low income individuals or families and receive project based Section 8 rental assistance from DHCD through a contract between DHCD and HUD. Under the contract the Authority receives a subsidy equal to the difference between an approved contract rent and the tenant's share of the rent determined under HUD Section 8 regulations.
- Business Activities / City of Newton's Ten Percent Zoning Ordinance The Authority, through the City of Newton's Ten Percent Zoning Ordinance, is the recipient of monies or units of housing donated from developers of for-profit housing in Newton. This ordinance enables the Authority to broaden the scope of services it provides to the community by operating or buying additional affordable housing to lease to low and moderate income individuals and families.

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

AN OVERVIEW OF THE FINANCIAL POSITION AND OPERATIONS

The Authority's overall financial position and operations for the past two years are summarized below based on the information included in the current and prior financial statements.

The Authority's total assets and deferred outflows at December 31, 2018 were \$27.10 million, an increase of \$1.01 million, or 3.89% from December 31, 2017.

The Authority's overall financial position and results of operations are presented at the end of this report.

CAPITAL ASSETS

As of December 31, 2018, the Authority's investment in capital assets for its governmental activities was \$18,067,722 (net of accumulated depreciation). This investment in capital assets includes buildings, improvements, equipment, and computer software.

Major capital asset purchases during the current fiscal year include the following:

Capital expenditures of \$779,363 were made for the improvement of the Authority's rental units.

LONG-TERM DEBT

As of December 31, 2018, the Authority has a total \$2,163,976 of long-term debt consisting of 7 separate mortgages secured by the properties acquired by the NHA Rental Acquisition Program and NHA Local Program. Of the total, \$2,022,087 represents the long-term portion and \$141,889 represents the current portion of the debt.

ECONOMIC FACTORS AFFECTING NEXT YEAR'S BUDGET

The following factors were considered in preparing the Authority's budget for the 2019 fiscal year:

- There will be significant increases in employee benefit costs relating to health insurance and PHA share of retirement costs.
- The budget was prepared with the knowledge that the operating subsidy for the Low Rent Program is expected to be decreased from the prior year funding of 95% to an expected 93% proration of the CY 2019 Operating fund. The Authority budgeted admin fee revenue of the Housing Choice Voucher Program at 80%, which is consistent with the prior year. In addition to the admin fee proration, the Authority budgeted HAP expenses at 100% of its CY 2018 HAP funding.
- The Massachusetts State Housing Programs' operating expenses, other than utility costs, are being funded by the State at a 4.0% increase from the prior year level.

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

FUTURE EVENTS THAT WILL FINANCIALLY IMPACT THE AUTHORITY

There are currently no future events that can be anticipated that will have a financial impact on the Authority.

Newton Housing Authority Statements of Net Position December 31, 2018 and 2017	2018	2017	Increase (Decrease)	Percent
				Change
Current Assets	\$ 8,514,827	\$ 7,175,213	\$ 1,339,614	18.67%
Capital Assets, Net of Depreciation	18,067,722	18,353,124	(285,402)	-1.56%
Deferred Outflow of Resources	520,602	560,379	(39,777)	-7.10%
Total Assets and Deferred Outflows	27,103,151	26,088,716	1,014,435	3.89%
Current Liabilities	787,355	776,382	10,973	1.41%
Non-Current Liabilities	7,934,602	6,492,599	1,442,003	22.21%
Deferred Inflow of Resources	264,366	24,103	240,263	996.82%
Total Liabilities and Deferred Inflows	8,986,323	7,293,084	1,693,239	23.22%
Net Position:				
Investment in Capital Assets, Net of Debt	13,743,730	16,051,403	(2,307,673)	-14.38%
Restricted	2,222,346	672,159	1,550,187	230.63%
Unrestricted	2,150,752	2,072,070	78,682	3.80%
Total Net Position	\$ 18,116,828	\$ 18,795,632	\$ (678,804)	-3.61%

The Authority's combined net position decreased by \$678,807 from a year ago. This represents a decrease of 3.61%. This increase is a combination of three components of net position: 1) Investment in capital assets, net of debt - a decrease of \$2,307,673, 2) Restricted net position – an increase of \$1,550,187, and 3) Unrestricted net position – an increase of \$78,682.

The increase (decrease) in invested in capital assets, net of debt consists of the following items:	
Capital grants received and expended	\$ 433,416
Capital purchases from operations	329,380
Restriction of soft debt	(2,160,016)
Depreciation expense	(1,048,198)
Capital debt principal paid	 137,745
Net increase (decrease) in invested in capital assets	\$ (2,307,673)
The increase (decrease) in restricted net position consists of the following items: Restricted Revenue - HCV Restricted Expenses - HCV Restriction of soft debt Release of restricted net position	\$ 6,436,613 (6,374,283) 2,160,016 (672,159)
Net increase (decrease) in restricted net position	\$ 1,550,187

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

Revenues and operating grants (excluding restricted revenue and capital)	\$	7,086,263
Expenses (excluding depreciation and restricted expenses)		(5,493,890)
Capital purchases from operations		(329,380)
Capital debt principal paid		(137,745)
Prior Period Adjustment		(1,718,725)
Release of restricted net position		672,159
Net increase (decrease) in unrestricted net position	<u>\$</u>	78,682

Other items of major change from 2017 to 2018:

Current assets increased by \$1,339,614 or 18.67%. This increase is related to the increase in cash and cash equivalents and accounts receivable – other government. The increase in cash is a result of the Authority's state 667-A program earning and collecting greater HAP payments for those units. In addition, accounts receivable – other government increased due to funds owed from DHCD for the Authority's 400-9 state program.

Investment in Capital Assets, Net of Debt and Restricted Net Position decreased and increased, respectively by a corresponding \$2,160,016 due to restricting the equity related to the forgivable loans for the properties on Pelham Street and Newtonville Avenue.

The deferred outflows of \$520,602 represents the Authority's future payments to their retirement system and group insurance commission. This account is recorded as part of the GASB 68 Pension Accounting Standard and GASB 75 Other Post-Employment Benefits Accounting Standard.

The deferred inflows of \$264,366 is recorded as part of the GASB 68 Pension Accounting Standard and GASB 75 Other Post-Employment Benefits Accounting Standard.

Non-current liabilities increased by \$1,442,003 or 22.21%. This increase is due to the implementation of GASB 75 Other Post-Employment Benefits Accounting Standard to record the Authority's entire OPEB liability.

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

Newton Housing Authority Statement of Revenues, Expenses and Changes in Net Position For the Years Ended December 31, 2018 and 2017

For the Years Ended December 31, 2018 and 2017					
			Increase	Percentage	
	2018	2017	(Decrease)	Change	
Revenues					
HUD Operating Subsidies	\$ 8,450,370	\$ 8,170,342	\$ 280,028	3.43%	
Tenant Revenue – Rents and Other	3,831,839	2,654,520	1,177,319	44.35%	
Other Government Grants	1,060,662	1,495,306	(434,644)	-29.07%	
HUD Capital Grants	286,604	29,368	257,236	875.91%	
Other Revenue	244,771	127,125	117,646	92.54%	
Investment Income	82,046	68,882	13,164	19.11%	
Total Revenue	13,956,292	12,545,543	<u>1,410,749</u>	11.25%	
Expenses					
Housing Assistance Payments	6,342,894	6,263,084	79,810	1.27%	
Maintenance	1,966,770	2,072,995	(106,225)	-5.12%	
Administrative	1,870,565	1,646,111	224,454	13.64%	
Utilities	1,163,493	1,198,009	(34,516)	-2.88%	
Depreciation	1,048,198	1,176,927	(128,729)	-10.94%	
Insurance Expenses	205,537	200,112	5,425	2.71%	
Tenant Services	113,773	61,134	52,639	86.10%	
Interest Expense	104,771	112,881	(8,110)	-7.18%	
General Expenses	100,370	263,048	(162,678)	-61.84%	
Total Expenses	12,916,371	12,994,301	(77,930)	-0.60%	
•					
(Decrease) Increase in Net Position	<u>\$ 1,039,921</u>	\$ (448,758)	<u>\$ 1,488,679</u>	-331.73%	
Net Position, Beginning of Year	18,795,632	19,244,390	(448,758)	-2.33%	
1100 T OSITION, DOGMINING OF TOUR	10,793,032	17,211,570	(110,750)	2.5570	
Adjustment to Beginning Net Position	(1,718,725)		(1,718,725)		
Nia Decition Ford of Warn	¢10 116 000	¢10.705.622	e ((70 004)	2 (10/	
Net Position, End of Year	<u>\$18,116,828</u>	<u>\$18,795,632</u>	<u>\$ (678,804)</u>	-3.61%	
This statement excludes HAP Port In Revenue	and Expenses of		FY 2018	\$ 70,280	
			FY 2017	\$ 65,502	

The major changes from 2017 to 2018 of the Statement of Revenues, Expenses and Changes in Fund Net Position are:

- Tenant revenue increased by \$1,177,319 or 44.35%. This increase is related to increases in HAP payments for the Authority's 667-A units following a rent reasonableness study.
- Other government grants decreased by \$434,644 or 29.07%. This decrease is related to the amount of work completed under the state modernization program as expenditures are direct reimbursements from the State.
- HUD capital grants increased by \$257,236 or 875.91%. This increase is related to the amount of work completed under the HUD capital grant program as expenditures are direct reimbursements from HUD.

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

- Other revenue increased by \$117,646 or 92.54%. This increase is due to an increase in insurance proceeds received for damages sustained at the Ash Street development.
- Interest income increased by \$13,164 or 19.11%. This increase is a result of an increase in available cash for investing purposes during the year.
- Depreciation expense decreased by \$128,729 or 10.94%. This decrease is due to a decrease in depreciable assets at year end.
- Tenant services increased by \$52,639 or 86.10%. This increase is a result of an increase in tenant services salaries due to an increase in the budget for licensed social workers.
- General expenses decreased by \$162,678 or 61.84%. This decrease was a result of a decrease in development costs related to the Haywood House project.

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Amy Zarechian, Executive Director, Newton Housing Authority, 82 Lincoln Street, Newton, MA 02461, or call (617) 552-5501.

STATEMENT OF NET POSITION

DECEMBER 31, 2018

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 8,213,206
Restricted cash	62,722
Accounts receivable, net	141,026
Prepaid expenses and other current assets	93,404
Total Current Assets	8,510,358
Noncurrent Assets	
Restricted cash	4,469
Capital assets, net of accumulated depreciation	18,067,722
Total Noncurrent Assets	<u> 18,072,191</u>
TOTAL ASSETS	26,582,549
DEFERRED OUTFLOWS OF RESOURCES	520,602
LIABILITIES	
Current Liabilities	
Current portion of long term debt	141,889
Accounts payable	191,734
Accounts payable, HUD	30,249
Accounts payable, other government	23,493
Accrued wages and current portion of compensated absences	63,384
Interest payable	2,520
Other current liabilities	257,500
Unearned revenue	76,194
Tenant security deposits	392
Total Current Liabilities	<u>787,355</u>
Noncurrent Liabilities	
Long term debt, net of current portion	2,022,087
Accrued compensated absences, net of current portion	92,536
Leasing escrow liability	4,469
Net pension liability	3,054,425
Total OPEB liability	2,761,085
Total Noncurrent Liabilities	7,934,602
TOTAL LIABILITIES	8,721,957
DEFERRED INFLOWS OF RESOURCES	264,366
NET POSITION	
Investment in capital assets	13,743,730
Restricted:	
Housing assistance payments	62,330
Use-restricted contributions	2,160,016
Unrestricted	2,150,752
TOTAL NET POSITION	\$ 18,116,828

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2018

ODED ATTING DEVENIEG	
OPERATING REVENUES HUD grants	\$ 8,450,370
Tenant rental income	, ,
Other government grants	3,831,839 698,862
Other revenue	244,771
Total Operating Revenues	13,225,842
Total Operating Revenues	13,223,042
OPERATING EXPENSES	
Housing assistance payments	6,342,894
Administration	1,870,565
Repair and maintenance	1,863,422
Utilities	1,163,493
Depreciation expense	1,048,198
Insurance expense	205,537
Other general expenses	203,718
Tenant services	113,773
Total Operating Expenses	12,811,600
Operating Income	414,242
NONOPERATING REVENUES (EXPENSES)	
Interest and investment revenue	82,046
Interest expense	(104,771)
Total Nonoperating Revenues (Expenses)	(22,725)
(\==\(\ilde{\chi}\)
Income before Capital Grants	391,517
CAPITAL GRANTS	264.200
Other government capital grants	361,800
HUD capital grants	286,604
Total Capital Grants	<u>648,404</u>
Change in Net Position	1,039,921
Net Position, Beginning of Year - As Restated	17,076,907
Net Position, End of Year	\$ 18,116,828

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES		
HUD grants	\$	8,487,912
Other government grants		342,754
Receipts from tenants		3,831,123
Other operating receipts		230,975
Payments to employees		(2,384,371)
Payments to suppliers		(8,953,117)
Net cash provided by operating activities		1,555,276
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Other government capital grants		352,473
HUD capital grants		286,604
Interest expense		(105,099)
Payments on long term debt		(137,745)
Acquisitions of capital assets		(762,796)
Net cash used in capital and related financing activities		(366,563)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received	•	82,046
Net cash provided by investing activities		82,046
The table provided by investing activities		02,010
Net increase in cash and cash equivalents		1,270,759
Cash and cash equivalents, beginning of year		7,009,638
Cash and cash equivalents, end of year	\$	8,280,397
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income	\$	414,242
Adjustments:	Ψ	717,272
Depreciation		1,048,198
Change in assets and liabilities:		1,040,170
(Increase) decrease in accounts receivable, tenants		6,458
(Increase) decrease in accounts receivable, other		610
(Increase) decrease in accounts receivable, HUD		20,175
(Increase) decrease in accounts receivable, other government		(102,916)
(Increase) decrease in prepaid expenses and other current assets		6,818
(Decrease) increase in accounts payable		(17,429)
(Decrease) increase in accounts payable, HUD		17,367
(Decrease) increase in accounts payable, other government		(252,328)
(Decrease) increase in compensated absences and accrued wages		4,559
(Decrease) increase in net pension and OPEB liabilities		153,782
(Decrease) increase in accrued expenses and other current liabilities		252,184
(Decrease) increase in tenant security deposits		342
(Decrease) increase in unearned operating revenue		3,214
Net cash provided by operating activities	\$	1,555,276
Cash and restricted cash per Statement of Net Position:		
Cash and cash equivalents	\$	8,213,206
Restricted cash - current	*	62,722
Restricted cash - noncurrent		4,469
Total cash and restricted cash per Statement of Net Position	\$	8,280,397

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 1 – ORGANIZATION

The Newton Housing Authority (the Authority) was incorporated under the laws of the Commonwealth of Massachusetts. The Authority operates under a board of commissioner form of government to provide safe and decent housing to low and moderate-income families and elderly individuals.

The Authority maintains its accounting records by program and operates the following programs:

Federal Programs

<u>Low Rent Public Housing</u> – This program accounts for all activities relating to the leasing and operation of apartments in buildings that were constructed and are owned by the Authority. These units are rented to low income families and low-income elderly, disabled, and special needs individuals. The properties were constructed with grants and or loans provided by the U.S. Department of Housing and Urban Development (HUD). The Authority receives grants from HUD to subsidize operating deficits. Tenants are charged rents based on a percentage of their income.

<u>Public Housing Capital Fund</u> – HUD provides grant funds to authorities with Low Rent Public Housing units on a formula basis. The funds are predominantly used to make physical improvements to buildings and dwelling units owned by the Authority under the Low Rent Public Housing Program. A portion of these funds may also be used to support operations and to make improvements in the management and operation of the Authority.

<u>Section 8 Housing Choice Voucher</u> – HUD provides grants to the Authority to subsidize rents paid by low income families and individuals who rent dwelling units from private landlords. Under this program, qualified applicants are issued vouchers which may be used by the applicant to obtain housing in the private rental market. The Authority will subsidize the landlord for the difference between the rent requested and the tenant's share of the rent not to exceed a predetermined payment standard.

Section 8 New Construction Program – HUD provides a direct mortgage to a third-party owner of a residential rental building. As a condition of the mortgage on the building, the owner enters into a long-term contract to rent some or all of the dwelling units to low income individuals or families and receive project-based Section 8 rental assistance. Under the contract, the owner receives a subsidy equal to the difference between an approved contract rent and the tenant's share of the rent determined under HUD Section 8 regulations. On behalf of HUD, the Authority monitors the compliance with the agreement, as well as paying the HAP expense to the owner.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 1 – ORGANIZATION (CONTINUED)

State/Local and Other Programs

<u>State Consolidated and State Chapter 705 Housing</u> – Under these programs, the Authority owns, operates and maintains rental housing acquired with grants from Massachusetts Department of Housing & Community Development (DHCD). Dwelling units are leased to low income tenants at rates based on their ability to pay. Operations are supported by DHCD via operating grants.

<u>State Chapter 689 Housing</u> – Under this program, the Authority owns operates and maintains rental housing acquired with grants from DHCD. The building is generally rented to a non-profit corporation who provides health and human resource needs to mentally disabled individuals.

Massachusetts Rental Voucher Program (MRVP) – DHCD provides grants to subsidize rents paid by low income families and individuals who rent dwelling units from private landlords. Qualified applicants are issued vouchers which may be used by the applicant to obtain housing in the private rental market. The Authority subsidizes the landlord for the difference between the rent requested and the tenant's share of the rent not to exceed a contract amount.

<u>State Modernization Program</u> – DHCD provides grant funds to authorities with State Consolidated units based on the Authority's application and determination of need. The funds are predominantly used to make physical improvements to buildings and dwelling units owned by the Authority under the State Consolidated Housing Program.

<u>Authority-Owned Section 8 New Construction</u> – DHCD provides a direct mortgage to the Authority as owners of a residential rental building. As a condition of the mortgage on the building, the Authority has entered into a long-term contract to rent some or all of the dwelling units to low income individuals or families and receive project-based Section 8 rental assistance from DHCD through a contract between DHCD and HUD. Under the contract, the Authority receives a subsidy equal to the difference between an approved contract rent and the tenant's share of the rent determined under HUD Section 8 regulations.

<u>Business Activities / City of Newton's Ten Percent Zoning Ordinance</u> – The Authority, through the City of Newton's Ten Percent Zoning Ordinance, is the recipient of monies or units of housing donated from developers of for-profit housing in Newton. This ordinance enables the Authority to broaden the scope of services it provides to the community by operating or buying additional affordable housing to lease to low and moderate income individuals and families.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FINANCIAL REPORTING ENTITY

The Authority's financial statements include the accounts of all of the Authority's operations. The criteria for including organizations as component units within the Authority's reporting entity, as set forth in Section 2100 of GASB's <u>Codification of Governmental Accounting and Financial Reporting Standards</u>, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Authority holds the corporate powers of the organization
- the Authority appoints a voting majority of the organization's board
- the Authority is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Authority
- there is fiscal dependency by the organization on the Authority

Based on the aforementioned criteria, the Authority has no component units.

BASIS OF PRESENTATION AND ACCOUNTING

The Authority is a special-purpose government entity engaged only in business-type activities and, as such, the financial statements are presented as a single enterprise fund utilizing the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses when the related liability for goods and services is incurred, regardless of the timing of the related cash flows.

The Authority's financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB). The Authority follows GASB as applied to governmental entities.

The Authority's primary source of nonexchange revenue relates to grants and subsidies. Grants and subsidies revenue is recognized at the time eligible program expenses occur and/or the Authority has complied with the grant and subsidy requirements, in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Grants received in advance of expenses are recorded as a liability until earned.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Standards Adopted

During 2018, the Authority adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB); addresses accounting and financial reporting for OPEB that is provided to employees of state and local governmental employers. The provisions of this Statement are effective for periods beginning after June 15, 2017. The adoption of this accounting standard resulted in a net increase in the liability for Other Postemployment Benefits other than Pensions of \$79,362 Refer to Notes 13 and 16.

Also during 2018, the Authority adopted the following accounting standards that did not impact the Authority's financial statements.

GASB Statement Number Name 81 Irrevocable Split-Interest Agreements 82 Pension Issues 85 Omnibus 2017 86 Certain Debt Extinguishment Issues

USE OF ESTIMATES

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the use of estimates that affect reported amounts of assets, liabilities, revenues and expenses and related disclosures. Actual amounts could differ from those estimates.

CASH AND CASH EQUIVALENTS

The Authority considers cash equivalents to be all highly liquid investments with a maturity of three months or less when purchased. Also included in cash equivalents are non-negotiable certificates of deposits, recorded at cost in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ACCOUNTS RECEIVABLE

Accounts receivable from tenants are carried at the original amount billed less an estimate made for doubtful accounts based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by using historical experience applied to an aging of accounts receivable. Accounts receivable from tenants are written off with board approval when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. Allowances for other non-tenant receivables are reviewed annually. See Note 6 for details of accounts receivable and allowances at year end.

CAPITAL ASSETS

Capital assets include land, property, furniture, equipment and machinery with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the time of acquisition. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Land and Building Improvements	15 years
Furniture, Equipment and Machinery	3-10 years

IMPAIRMENT OF CAPITAL ASSETS

Governmental Accounting Standards Board's, Statement No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries requires certain note disclosures regarding impairments of capital assets. The Authority did not recognize any impairments of capital assets in fiscal year 2018.

COMPENSATED ABSENCES

The Authority's policy allows employees to earn a maximum of 15 sick days per year, commensurate on experience. Any employee who has attained 55 years of age and 10 years of services may collect 20% of their accumulated sick leave if they leave the employ of the Authority and officially retire with the City retirement board. Employees are eligible to earn between 10 and 25 days of vacation based on years of service, employees may carryover a maximum of 5 days of vacation into the following year. Total accrued compensated absences at December 31, 2018 aggregated \$116,073

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

OPERATING REVENUES AND EXPENSES

Operating revenue includes operating grants and subsidies, rental income, management services provided and all other revenue relating to the provision of safe, decent and affordable housing services that do not result from transactions defined as capital and related financing, non-capital and related financing or investing activities. Operating expenses include wages, housing assistance payments, utilities, maintenance, depreciation of capital assets, administrative expenses and all other expenses relating to the provision of safe, decent and affordable housing services that do not result from transactions defined as capital and related financing, non-capital and related financing or investing activities.

NON-OPERATING REVENUES AND EXPENSE

The Authority's nonoperating revenues relate primarily to capital grants and contributions provided by HUD and the Commonwealth of Massachusetts, and interest income. For reporting purposes, capital grant revenue is recognized when expenditures are incurred, and advance receipts are initially recorded as unearned revenue. Nonoperating expenses are expenditures derived from transactions other than those associated with the Authority's primary housing operations and are reported as incurred.

ECONOMIC DEPENDENCY

The Authority's state and federal programs are economically dependent on grants and annual contributions from DHCD and HUD, respectively. These programs operate at a loss prior to receiving these grants and contributions.

PENSIONS

The fiduciary net position of the retirement system has been determined using the flow of economic resources measurement focus and full accrual basis of accounting as reported by the retirement system. The same basis was applied for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and additions to/deductions from the retirement system's fiduciary net position.

OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined by an actuarial valuation conducted by the Authority and are accounted for in accordance with the requirements of GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Deferred outflows of resources are the consumption of net position by the Authority that is applicable to a future reporting period. Deferred inflows of resources are the acquisition of net position by the Authority that is applicable to a future reporting period. These consist of the deferral of the recognition of revenues and expenses until the future period to which the outflows and inflows are related. The Authority's deferred outflows and inflows of resources are either related to pension (See Note 12) or related to OPEB (See Note 13). The following is a summary of deferred outflows and inflows of resources at December 31, 2018:

	Defer	Deferred Outflows		Deferred Inflows	
	of]	of Resources		Resources	
Related to Pensions	\$	458,190	\$	228,114	
Related to OPEB		62,412		36,252	
Total	\$	520,602	\$	264,366	

APPLICATION OF RESOURCES

The Authority would first apply restricted resources when an expense is incurred for which both restricted and unrestricted resources are available.

SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 30, 2019, which is the date these financial statements were available to be issued. All subsequent events requiring recognition or disclosure as of December 31, 2018 have been incorporated into these financial statements.

NOTE 3 – NET POSITION

Net position represents the cumulative effect of revenue and expenses. It is also the difference between the sum of assets and deferred outflows less the sum of liabilities and deferred inflows. Net position is reported in three broad categories:

<u>Net Investment in Capital Assets</u> consists of all capital assets, reduced by accumulated depreciation, the outstanding balances of any bonds, mortgages, notes or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position consists of restricted assets, when constraints are placed on the assets by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc. At December 31, 2018, restrictions of \$62,330, represent the net position restricted by HUD related to the Housing Choice Voucher Program to be used for future HAP payments. Restrictions of \$2,160,016 represent the value of forgivable loans assumed by the Authority for which the Authority has agreed to the deed restrictions limiting the use of the property for affordable housing purposes (see Note 10).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 3 – NET POSITION (CONTINUED)

<u>Unrestricted Net Position</u> is designed to represent the net available (non-capital) assets, for the entire Authority.

NOTE 4 – CASH AND CASH EQUIVALENTS

The Authority has adopted HUD's Investment Regulation PIH 1996-33 as its investment policy. HUD regulations require that all HUD deposits in financial institutions and investments be fully insured or collateralized, by U.S. Government obligations that have a fair value of not less than the principal amount of the deposits. The policy also requires that investments not have a maturity period longer than three years.

<u>Custodial Credit Risk – Cash Deposits</u>

In the case of cash deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a formal policy for custodial credit risk, except ensuring that it follows the HUD regulations for federal deposits as detailed in a prior paragraph. At December 31, 2018, the Authority's cash deposits of \$8,280,397 were fully insured or collateralized.

NOTE 5 - RESTRICTED CASH

The Authority's restricted cash balance consists of funds restricted for future HAP payments, funds held in escrow related to an organization leasing property from the Authority as well as funds designated for tenant security deposits. These amounts support either a corresponding liability or restricted net position. At December 31, 2018, restricted cash was categorized as follows:

Category of Restriction	Amount		
Housing assistance payments Leasing escrow Tenant security deposits	\$	62,330 4,469 392	
Total	<u> </u>	67,191	

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 6 – ACCOUNTS RECEIVABLE

The following is a listing of receivables for the Authority including the applicable allowances for uncollectible accounts at December 31, 2018.

Category of Receivable	 Amount		
Other Government	\$ 111,324		
PHA Projects	206		
Tenants	 117,122		
	228,652		
Allowance - Tenants	 (87,626)		
Net Receivables	\$ 141,026		

NOTE 7 - CAPITAL ASSETS

The following is a summary of changes in capital assets and related accumulated depreciation.

	1/1/2018	Increases	Decreases	12/31/2018
Capital assets not being depreciated				<u> </u>
Land	\$ 5,961,657	\$		\$ 5,961,657
Construction in Progress	1,454,288	596,108		2,050,396
Total capital assets not being depreciated	7,415,945	596,108		8,012,053
Other Capital Assets				
Buildings	33,483,959	158,950		33,642,909
Furniture, equipment & machinery	195,561	7,738	(89,238)	114,061
Total other capital assets	33,679,520	166,688	(89,238)	33,756,970
Less accumulated depreciation				
Buildings	22,578,742	1,037,981		23,616,723
Furniture, equipment & machinery	163,599	10,217	(89,238)	84,578
Total accumulated depreciation	22,742,341	1,048,198	(89,238)	23,701,301
Capital Assets Net	<u>\$ 18,353,124</u>	\$ (285,402)	\$	\$ 18,067,722
Depreciation expense was charged to:				
Federal Public Housing		\$ 470,682		
State/Local Programs		\$ 344,653		
Business Activities		\$ 232,863		

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 8 – NONCURRENT LIABILITIES

Noncurrent liability activity for the year ended December 31, 2018 is as follows:

	1/1/2018	Add	litions	R	eductions	12	2/31/2018	ount due n one year
Compensated Absences	\$ 113,399	\$	167,547	\$	(164,873)	\$	116,073	\$ 23,537
Leasing Escrow	9,785				(5,316)		4,469	
Net Pension Liability	3,320,190				(265,765)		3,054,425	·
Total OPEB Liability	2,681,723		79,362				2,761,085	
Total	\$ 6,125,097	\$	<u>246,909</u>	\$	(435,954)	\$	5,936,052	\$ 23,537

NOTE 9 - LONG TERM DEBT

Long term debt activity for the year ended December 31, 2018 is as follows:

	1/1/2018	Additions	Reductions	12/31/2018	Amount due within one year
Notes Payable	\$ 2,301,721	\$	\$ (137,745)	\$ 2,163,976	\$ 141,889

The Authority constructed an elderly housing project in 1981. Funds to construct the project were provided by the Commonwealth of Massachusetts through a State bond issue, the proceeds of which were granted to the Authority. The grant received by the Authority was \$1,176,000. The project is backed by a Federal Section 8 housing assistance payments contract held by the Commonwealth of Massachusetts. Under the terms of this contract the Authority receives a housing assistance payment so that the total rent received for each unit is equivalent to a published fair market rent. The Authority is making a payment to the Commonwealth for \$7,308 per month from the housing assistance payment that it receives. The purpose of this payment is to repay the original \$1,176,000 grant plus interest over a 40-year period. The payments to the Commonwealth will end in 2021. Accordingly, the grant has been treated as a debt instrument for financial reporting purposes. The interest rate implicit in the payments is 7.0% per annum. For the year ended December 31, 2018, interest expense incurred on this loan was \$18,391. The outstanding principal balance at December 31, 2018 was \$230,753.

Through debt financing and funding provided by the City of Newton's Ten Percent Zoning Ordinance, as described in Note 1, the Authority has acquired various rental properties in the City of Newton. All mortgage notes used to finance the acquisition of these properties are held with local lending institutions and are collateralized by deeds of trust on real property. These notes have terms of 25 to 30 years, accrue interest at rates of 1.00% to 4.75% per annum, and are payable in equal monthly installments of principal and interest; aggregating \$16,302 per month.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 9 - LONG TERM DEBT (CONTINUED)

For the year ended December 31, 2018, interest expense incurred on these loans was \$86,380. The outstanding principal balance on the mortgage notes at December 31, 2018 was \$1,933,223.

The debt will be amortized as follows:

Year	Principal Payments	Interest Payments	Total
2019	\$ 141,889	\$ 114,833	\$ 256,722
2020	150,648	106,074	256,722
2021	148,343	96,737	245,080
2022	78,847	90,179	169,026
2023	82,875	86,151	169,026
2024 - 2028	483,248	361,882	845,130
2029 - 2033	624,357	220,773	845,130
2034 - 2038	420,114	67,211	487,325
2039	33,655	3,216	36,871
Total	\$ 2,163,976	<u>\$ 1,147,056</u>	\$ 3,311,032

NOTE 10 - CONTINGENT LIABILITIES

In 2008, the Authority acquired properties located at 45 Pelham Street and 390 Newtonville Avenue through a deal in which the Authority assumed the outstanding loans of the previous owner. The loans require the Authority to comply with affordability covenants throughout the terms of loans. Because the Authority has the intent and ability to maintain affordability throughout the terms of the loans, management does not expect that DHCD, CEDAC or the City of Newton will assert its right of repayment under these loan agreements; as such, these loans were accounted for as revenue in the year they were assumed and now classified as restricted net position on the Statement of Net Position. Additional terms of these loans are as follows:

Lender		Original Loan Amount		Principal Itstanding	Interest Rate	Maturity Date
Community Economic Development Assistance						
Corporation (CEDAC) Housing Innovation Fund	\$	750,000	\$	750,000	0%	2/10/2035
DHCD Affordable Housing Trust Fund	\$	240,778	\$	240,778	0%	2/10/2035
Newton Community Development Authority	\$	550,000	\$	550,000	0%	2/10/2055
Newton Community Development Authority	\$	100,000	\$	100,000	0%	2/10/2055
City of Newton: Community Preservation Funding	\$	211,936	\$	211,936	0%	3/5/2034
City of Newton: Community Preservation Funding	\$	100,000	\$	100,000	0%	2/10/2035
Newton Loan Program	\$	207,302	\$	207,302	0%	2/10/2035
	\$	2,160,016	<u>\$</u>	2,160,016		

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 11 - REAL ESTATE TAXES

Property owned by the Authority is exempt from local real estate taxes. The Authority has an agreement with the City of Newton under which it is exempt from any payment in lieu of taxes to the City.

NOTE 12 - COST-SHARING DEFINED BENEFIT PENSION PLAN

PLAN DESCRIPTION

The Authority provides pension benefits to certain employees through the Newton Contributory Retirement System (NCRS), a cost-sharing, multiple-employer public employee retirement system regulated by Public Employee Retirement Administration Commission (PERAC). The plan is a defined benefit plan. Participation is mandatory for all full time employees of the Authority. The retirement plan is a pooled risk type of plan. Under this type of plan, funding is determined based on all employees covered for all employing units. The funding liabilities are shared by each employing unit pro-rata based on the number of employees in the employing unit. Since the Authority's share of the net pension liability is not based on their employees, pension expense is determined by the total required payment to be made to the retirement plan for the year. The NCRS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to NCRS, 1000 Commonwealth Avenue, Newton Centre, MA 02459 or by calling (617) 796-1095.

PLAN MEMBERSHIP

At December 31, 2018, there are 22 active employees enrolled in the plan.

SIGNIFICANT PLAN PROVISIONS AND REQUIREMENTS

State law establishes benefit provisions and contribution requirements of the NCRS. Employees who have at least 10 years of longevity and have attained 55 years of age are eligible to receive retirement benefits. Retired employees receive an allowance based upon the average of their three highest consecutive salary years of service multiplied by (1) the number of years and full months of creditable service at the time of retirement and (2) a percentage based on age at retirement in accordance with a schedule provided by state law. Assuming normal retirement at age 65, this percentage is 2.5%, which is reduced for individuals who retire prior to age 65 to reflect the longer payout period. Employees may elect early retirement after 20 years of service or at any time after attaining age 55 with 10 years of eligible service. Plan members who become permanently and totally disabled may be eligible to receive a disability retirement allowance. The amount of benefits to be received depends on several factors, including the member's age, compensation, veteran status, years of creditable service, and whether or not the disability is work-related. In addition, certain death benefits exist for beneficiaries of employees who die in active service.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 12 - COST-SHARING DEFINED BENEFIT PENSION PLAN (CONTINUED)

FUNDING POLICY

Depending on their employment date, active Plan members must contribute either 5%, 7%, 8%, or 9% of their gross regular compensation. Members hired after December 31, 1978 must contribute an additional 2% of regular compensation in excess of \$30,000. These deductions earn interest at a rate determined by PERAC that vests based upon years of service. Member employers are required to contribute the remaining amounts necessary to finance benefits, except for certain cost-of-living adjustments (COLAs) granted before July 1, 1998, which are reimbursed by the Commonwealth. The current and two preceding years' apportionment of the annual pension cost between the employers required the Authority to contribute approximately 0.99% of the total. The Authority's required and actual contributions to NCRS for the year ended December 31, 2018 were \$292,274. Employee contributions for the same period were \$159,458.

PENSION LIABILITIES

At December 31, 2018, the Authority reported a liability of \$3,054,425 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

PENSION EXPENSE AND DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

For the year ended December 31, 2018, the Authority recognized pension expense of \$332,709. The deferred outflows of resources resulting from contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 12 - COST-SHARING DEFINED BENEFIT PENSION PLAN (CONTINUED)

PENSION EXPENSE AND DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES (CONTINUED)

At December 31, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Ou	Deferred atflows of esources	Deferred Inflows of Resources	
Differences between expected and actual experience	\$	45,943	\$	44,324
Changes of assumptions		108,267		
Net difference between projected and actual earnings on pension plan investments				147,179
Changes in proportion and differences between contributions and proportionate share of contributions		11,706		36,611
Contributions subsequent to the measurement date		292,274		
Total	\$	458,190	\$	228,114

These amounts will be recognized as expense, or as a reduction of expense, as follows:

 Year	Deferred Outflows (Inflows) of Resources
2010	Ф 229.025
2019	\$ 338,035
2020	(11,161)
2021	(41,367)
2022	(55,431)
2023	
Thereafter	
Total	\$ 230,076

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 12 – Cost-Sharing Defined Benefit Pension Plan (Continued)

ACTUARIAL METHODS & ASSUMPTIONS

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial methods and assumptions, applied to all periods included in the measurement:

Valuation date

December 31, 2017

Actuarial cost method

Entry Age Normal Cost Method

Investment rate of return

7.25%

Discount rate

7.25%

Inflation

2.50%

Salary increases

Ranging from 3.50% to 8.00% per year based upon years of

service

Cost of living adjustments

3.00% on the first \$12,000 in benefits

Mortality rates

Pre-Retirement - RP-2014 Employee Mortality Table

projected generationally with Scale MP-2017.

Healthy Retiree - RP-2014 Blue Collar Healthy Annuitant Mortality Table projected generationally with Scale MP-

2017.

Disabled Retiree - RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward one year and projected

generationally with Scale MP-2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 12 - COST-SHARING DEFINED BENEFIT PENSION PLAN (CONTINUED)

ACTUARIAL METHODS & ASSUMPTIONS (CONTINUED)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Rate of Return
Domestic Equity	17.50%	6.15%
International Equity - Developed Markets	15.50%	7.11%
International Equity - Emerging Markets	6.00%	9.41%
Core Fixed Income	12.00%	1.68%
High-Yield Fixed Income	10.00%	4.13%
Real Estate	10.00%	4.90%
Commodities	4.00%	4.71%
Hedge Funds	13.00%	3.94%
Private Equity	12.00%	10.28%

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the Authority will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease 6.25%		Current Discount 7.25%		1% Increase 8.25%	
Net pension liability	\$	3,766,015	\$	3,054,425	\$	2,453,607

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 12 - COST-SHARING DEFINED BENEFIT PENSION PLAN (CONTINUED)

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plan's fiduciary net position is available in the separately issued NCRS financial report.

PAYABLES TO THE PENSION PLAN

As of December 31, 2018, the Authority had no outstanding payables to NCRS.

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

PLAN DESCRIPTION AND BENEFITS PROVIDED

The Authority's defined benefit OPEB plan provides OPEB for all permanent full-time employees of the Authority. The OPEB plan is a single employer defined benefit OPEB plan administered by the Authority. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement 75.

The Authority provides comprehensive medical insurance, both with and without Medicare coordination, and life insurance to its employees who meet certain eligibility requirements. Employees are eligible for postretirement benefits if he/she has reached the age of 55 as an active employee and completed 10 years of service.

All active employees who retire from the Authority and meet the eligibility criteria will receive these benefits. The duration of these benefits is for the employee's lifetime. Under this cost sharing plan, these benefits cover 20% of premiums for Medical for those who retire on or after 10/1/2009 (15% for those who retired after 7/1/1994 but before 10/1/2009, and 10% for all others) for both individuals and family members (percentages represent the employees' portion).

The face value of each life insurance policy is \$5,000. Life insurance benefits do not apply to family members, this benefit covers 20% of premiums for Medical for those who retire on or after 10/1/2009 (15% for those who retired after 7/1/1994 but before 10/1/2009, and 10% for all others) for individuals.

PLAN MEMBERSHIP

At December 31, 2018, there are 16 active employees and 11 retired employees enrolled in the plan.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

TOTAL OPEB LIABILITY

The Authority's total OPEB liability of \$2,761,085 was measured as of December 31, 2018 and was determined by an actuarial valuation as of December 31, 2017.

ACTUARIAL METHODS AND ASSUMPTIONS

The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

<u>Valuation Date</u>: Actuarially Determined Contribution was calculated as of December 31, 2017.

Actuarial Cost Method: Individual Entry Age Normal

Investment Rate of Return: 6.50%, net of OPEB plan investment, including inflation

Municipal Bond Rate: 3.16% as of December 31, 2017 (Source: S&P Municipal Bond 20-Year High Grade Index – SAPIHG)

Discount Rate: 3.25%, net of OPEB plan investment expense, including inflation.

Inflation: 2.75 % as of December 31, 2017 and for future periods

Salary Increase: 3.00% annually as of December 31, 2017 and for future periods

Cost of Living Adjustment: Not Applicable

<u>Pre-Retirement Mortality</u>: RP 2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females.

<u>Post-Retirement Mortality</u>: RP 2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females.

<u>Disabled Mortality</u>: RP 2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females.

Mortality Experience Study: The mortality assumptions reflect PERAC's recent experience analysis published in 2014 (based on the years 2006-2011), updated to reflect data through January 1, 2015 for post-retirement mortality, and professional judgement. As such, mortality assumptions reflect observed current mortality as well as expected mortality improvements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

<u>Healthcare Trend</u>: It is assumed that healthcare costs will increases at a rate of 5.0% per annum

<u>Withdrawal Rates</u>: Plan participants are expected to withdraw from the plan at a decreasing rate, based on years of service and age, from 27.0% at age 20 and 0-4 years of service to 3.50% at age 60 and 10+ years of service.

Retirement Rates: Plan participants are expected to retire at an increasing rate based on age and gender. Males are expected to retire at a rate of 1% for those aged 50 years, to 100% for those aged 70 years. Females are expected to retire at a rate of 1.5% for those aged 50 years, to 100% for those aged 70 years.

CHANGES IN THE TOTAL OPEB LIABILITY

Balance at beginning of year	\$ 2,681,723
Changes for the year:	
Service cost	88,984
Interest	89,042
Changes of benefit terms	-
Difference between expected and actual experience	(36,252)
Changes of Assumptions	-
Benefit payments	 (62,412)
Net Changes	 79,362
Balance at end of year	\$ 2,761,085

SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following table presents the Plan's total OPEB liability, calculated using the discount rate of 3.25% as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.25%) or 1 percentage-point higher (4.25%) than the current rate.

		Decrease 2.25%	Current Discount 3.25%		1% Increase 4.25%	
Tatal OPER Bability		·	Ф.		Ф.	
Total OPEB liability	<u> </u>	<u>3,267,771</u>	7	<u>2,761,085</u>	<u> </u>	<u>2,361,995</u>

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE TREND RATE

The following table presents the net other postemployment benefit liability, calculated the healthcare trend rate if it was 1 percentage-point lower or 1 percentage-point higher than the current rate.

		Current					
	1% Decrease 4.00%	Trend 5.00%	1% Increase 6.00%				
Total OPEB liability	\$ 2,223,239	\$ 2,761,085	\$ 3,464,620				

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the Authority recognized OPEB expenses of \$115,614. The deferred outflows of resources resulting from contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. At December 31, 2018, the Authority reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Out	eferred flows of sources	Deferred Inflows of Resources		
Differences between expected and actual experience Changes of assumptions	\$		\$	36,252	
Net difference between projected and actual earnings on plan investments					
Contributions subsequent to the measurement date		62,412			
Total	\$	62,412	\$	36,252	

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

OPEB EXPENSE AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO OPEB (CONTINUED)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year		Deferred Outflows (Inflows) of Resources	
2019		\$	26,160
2020			_
2021			-
2022			-
2023			-
Thereaf			<u>-</u>
Total	I	_\$	26,160

NOTE 14 – OTHER RETIREMENT PLANS

The Authority provides to employees a separate deferred compensation plan in accordance with IRC §457. The plan is open to all employees. Employee contributions for 2018 were \$97,209. There were no employer contributions.

NOTE 15 – RISK MANAGEMENT

Litigation

The Authority is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the risk management program are reviewed and losses are accrued as required in the judgment of management. In the opinion of management, other than the matter disclosed below, the ultimate disposition of lawsuits and claims will not have a material adverse effect on the financial position of the Authority.

In December 2018, the Authority settled litigation brought against the Authority by a former employee for discrimination and retaliation. The Authority settled with this employee for back wages and associated legal fees aggregating \$725,000. Per the agreement, \$467,500 was paid in 2018 and \$257,500 has been accrued as of December 31, 2018.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

NOTE 15 – RISK MANAGEMENT (CONTINUED)

Grants

Amounts received or receivable from the grantor agencies are subject to audit and adjustment by grantor agencies. If expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

NOTE 16 - ADOPTION OF NEW ACCOUNTING STANDARD

In 2018, the Authority adopted Governmental Accounting Standards Board (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which replaces GASB 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, for measuring and reporting other postemployment benefits (OPEB). GASB 75 requires the OPEB liability to be reported on the face of the financial statements rather than in the accompanying notes, as previously required by GASB 45. In addition, the net OPEB obligation previously stated by GASB 45 has been removed. As a result, the Authority has restated the net position as of January 1, 2018 to comply with the adoption requirement of GASB 75 as follows:

Beginning Net Position - As Previously Stated	\$ 18,795,632
Removal of net OPEB Obligation under GASB 45 Addition of OPEB Liability for adoption of GASB 75 Total Restatement	 902,852 (2,621,577) (1,718,725)
Beginning Net Position - Restated	\$ 17,076,907

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST FISCAL YEAR

	2018	
Total OPEB Liability		
Service cost	\$ 88,984	
Interest	89,042	
Changes of benefit terms	!!	
Difference between expected and actual experience	(36,252)	
Changes of Assumptions	1	
Benefit payments	(62,412)	
Net Change in Total Pension Liability	79,362	
Total OPEB Liability - Beginning	2,681,723	
Total OPEB Liability - Ending	\$ 2,761,085	
Covered Payroll	\$ 1,683,461	
Net OPEB Liability as a Percentage of Covered Payroll	164.01%	

The Schedule is intended to present information for 10 years, additional years will be displayed as they become available.

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY NEWTON CONTRIBUTORY RETIREMENT SYSTEM

LAST 4 FISCAL YEARS

For the Measurement Date ended December 31,		2017		<u>2016</u>	2015		<u>2014</u>
Proportion of the net pension liability	Ŭ	0.991%	_	%900'	%666.0		0.974%
Proportionate share of the net pension liability	∽	3,054,425	↔	\$ 3,320,190	\$ 3,200,945 \$ 2,937,454	↔	2,937,454
Covered payroll	∽	1,377,533	↔	1,377,533 \$ 1,164,687	\$ 1,311,668 \$ 1,375,540	∽	1,375,540
Proportionate share of the net pension liability as a percentage of covered payroll		221.7%	(1	285.1%	244.0%		213.5%
Plan fiduciary net position as a percentage of the total pension liability	41	53.26%	7	48.10%	47.51%		49.35%

The Schedule is intended to present information for 10 years, additional years will be displayed as they become available.

See Notes to Required Supplementary Information.

SCHEDULE OF PENSION CONTRIBUTIONS NEWTON CONTRIBUTORY RETIREMENT SYSTEM

LAST 4 FISCAL YEARS

For the Measurement Date ended December 31,		2017	. "	<u>2016</u>		2015		2014	
Contractually required contribution	↔	255,988 \$ 237,117	↔	237,117	↔	\$ 216,585 \$		194,483	
Contributions in relation to the contractually required contribution		255,988		237,117		216,585		194,483	
Contribution deficiency	S	!	S	1	69	E	∽	i	
Covered payroll	69	\$ 1,377,533 \$ 1,164,687 \$ 1,311,668 \$ 1,375,540	∽	1,164,687	∽	1,311,668	↔	1,375,540	
Contributions as a percentage of covered payroll	_	18.58%	7	20.36%		16.51%		14.14%	

The Schedule is intended to present information for 10 years, additional years will be displayed as they become available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2018

NOTE 1 – OTHER POSTEMPLOYMENT BENEFIT PLANS OTHER THAN PENSIONS

DESCRIPTION OF REQUIRED SUPPLEMENTARY INFORMATION

The Schedule of Changes in the Total OPEB Liability and Related Ratios details the Plan's other postemployment benefit liability and the covered employee payroll. It demonstrates the Plan's total liability and the Plan's liability as a percentage of covered payroll.

10-YEAR TREND INFORMATION

The Schedule of Changes in the Total OPEB Liability and Related Ratios is intended to present information for 10 years. Until a 10-year trend is compiled, information is presented for those years in which information is available.

CHANGES IN ASSUMPTIONS

Effective December 31, 2018

- The mortality table was updated from the RP-2000 Mortality Table projected to 2017 to RP-2000 Healthy Annuitant mortality Table projected generationally with scale BB and a base year 2009 for males and females.
- Discount rate is 3.25%, previously 4.00%

CHANGES IN BENEFIT TERMS

There were no changes in benefit terms from the prior measurement report.

NOTE 2 - PENSION PLAN SCHEDULES

DESCRIPTION OF REQUIRED SUPPLEMENTARY INFORMATION

The Schedule of the Proportionate Share of the Net Pension Liability presents multi-year trend information on the Authority's share of the Net Pension Liability and related ratios.

The Schedule of Contributions presents multiyear trend information for the Authority's required and actual contributions relating to the pension plan.

10-YEAR TREND INFORMATION

The Schedules of the Proportionate Share of the Net Pension Liability and the Schedule of Contributions are intended to present information for 10 years. Until a 10-year trend is compiled, information is presented for those years in which information is available.

CHANGES IN BENEFIT TERMS

There were no changes in benefit terms from the prior measurement report.

CHANGES IN ASSUMPTIONS

The Investment return assumption was decreased from 7.50% to 7.25% effective in the December 31, 2017 actuarial valuation. The mortality assumption tables were also updated from the RP-2000 mortality tables to the blue collar mortality tables projected generationally with scale MP-2017.

NEWTON HOUSING AUTHORITY

SUPPLEMENTARY FINANCIAL DATA SCHEDULE	NCIAL DAT	A SCHEDUI	E		
DECEMBI	DECEMBER 31, 2018			į	
Description	MA03600001	MA036000002	MA036000003	AMPs	Housing Choice Vouchers
	:			1	
Cash - Unrestricted	2,401,098	142,916	310,793	2,854,807	461,290
Cash - Other Restricted	•	t	ŧ	1	62,330
Cash - Tenant Security Deposits	•	•	-	-	-
Total Cash	2,401,098	142,916	310,793	2,854,807	523,620
Accounts Deceivable - DHA Decients					306
Accounts incuring and a resident				1	202
Accounts Receivable - Cutter Government Accounts Receivable - Tenants	30.504	6.041	2,481	39.026	
Allowance for Doubtful Accounts -Tenants	(27.793)	(3,644)	(748)	(32,185)	1
Fraud Recovery	6,075	829	1,476	8,380	•
Allowance for Doubtful Accounts - Fraud	(6,075)	(828)	(1,476)	(8,380)	1
Total Receivables, Net of Allowances for Doubtful Accounts	2,711	2,397	1,733	6,841	206
Prepaid Expenses and Other Assets	35,229	4,765	5,296	45,290	5,534
Total Current Assets	2,439,038	150,078	317,822	2,906,938	529,360
Tono A	386 018	132 000	241 800	1 060 718	
Duildings	10 884 576	1 620 000	919 347	13 423 923	
Burnings Burning Foundation & Machinery - Administration	56.896	12 107	12,517	81 109	•
Accumulated Depreciation	(8 908 742)	(1 519 843)	(922,366)	(11.350.951)	
Construction in Progress	390,404	-		390,404	•
Total Capital Assets, Net of Accumulated Depreciation	2,810,052	544,264	250,887	3,605,203	•
Total Non-Current Assets	2,810,052	544,264	250,887	3,605,203	•
Deferred Outflow of Resources	202,986	29,728	28,392	261,106	67,813
Total Assets and Deferred Outflow of Resources	5,452,076	724,070	597,101	6,773,247	597,173
			,		
Accounts Payable <= 90 Days	79,265	966,6	12,180	101,441	15,351
Accrued Wage/Payroll Taxes Payable	15,976	2,090	2,128	20,194	5,836
Accrued Compensated Absences - Current Portion	8,851	1,220	1,230	11,301	3,363
Accrued Interest Payable	1	t		•	1
Accounts Payable - HUD PHA Programs	•			•	
Accounts Payable - Other Government	•	•	•	•	•
Tenant Security Deposits		•	• 000		•
Unearned Revenue	14,366	4,875	2,699	21,940	1
Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	•	•	1	
Other Current Liabilities		- 6	- 000	154.00	- 040,00
Total Current Liabilities	118,458	18,181	18,237	154,876	24,550

162 164 166 167 160

 321 322 322 333 331 341 342 343 345 345

124 126 126.1 128.1 128.1

FDS Line Item

113 114 100

SUPPLEMENTARY FINANCIAL DATA SCHEDULE

DECEMBER 31, 2018

FDS Line Item	Description	MA03600001	MA036000002	MA036000003	AMPs	Housing Choice Vouchers
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	•	,	1	•	1
353	Non-current Liabilities - Other		,		•	1
354	Accrued Compensated Absences - Non Current	30,217	4,728	4,728	39,673	19,805
357	Accrued Pension and OPEB Liabilities	2,304,229	301,180	299,133	2,904,542	785,969
350	Total Non-Current Liabilities	2,334,446	305,908	303,861	2,944,215	805,774
	7.01.1.1.1.1	70000	000	000 000	.00000	100000
300	1 Otal Liabilities	2,432,904	324,089	322,098	3,099,091	830,324
400	Deferred Inflow of Resources	108,019	14,363	14,333	136,715	38,123
508.4	Net Investment in Capital Assets	2,810,052	544,264	250,887	3,605,203	-
511.4	Restricted Net Position	-	1	-	-	62,330
512.4	Unrestricted Net Position	81,101	(158,646)	9,783	(67,762)	(333,604)
513	Total Equity - Net Assets / Position	2,891,153	385,618	260,670	3,537,441	(271,274)
009	Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position	5,452,076	724,070	597,101	6,773,247	597,173
70300	Net Tenant Rental Revenue	822,143	118,124	170,839	1,111,106	
70500	Total Tenant Revenue	822,143	118,124	170,839	1,111,106	•
	The state of the s					
20600	HUD PHA Operating Grants	1,089,493	147,091	140,794	1,377,378	6,941,797
70610	Capital Grants	286,604	•	•	286,604	•
70700	Total Fee Revenue		•	•		
70800	Other Government Grants	. !			1	• 00
71100	Investment Income - Unrestricted	31,727	71	999	32,464	2,824
71400	Fraud Recovery	- 00 001	- 00			- 000
71500	Other Kevenue	153,990	1/8//	2,188	14/,001	7 010 051
0000/	1 Otal Kevenue	2,303,903	7,3,103	317,487	2,934,013	1,019,031
91100	Administrative Salaries	312,029	35,124	34,194	381,347	245,623
91200	Auditing Fees	2,434	562	562	3,558	2,527
91500	Employee Benefit contributions - Administrative	195,868	22,559	24,026	242,453	117,498
91600	Office Expenses	37,620	6,405	3,891	47,916	69,941
91700	Legal Expense	18,218	8,753	104	27,075	2,869
91800	Travel	2,772	628	628	4,028	7,692
91900	Other	7,166	1,079	1,204	9,449	37,892
91000	Total Operating - Administrative	576,107	75,110	64,609	715,826	484,042
00.00		000 00	7027	0 223	01010	
92100	I enant Services - Salaries	70,000	0,280	8,233	84,619	r
92300	Employee Benefit Contributions - Lenant Services	711,07	1,852	7,0/4	7+,045	

SUPPLEMENTARY FINANCIAL DATA SCHEDULE

DECEMBER 31, 2018

Total Tenant Services 90,117 8,438 10,907 109,462 Water Water 205,693 56,773 26,576 288,392 Betweiting Gas 17,787 26,576 288,392 288,392 Codingry Matternance and Operations - Labor 319,346 50,904 50,652 42,019,44 Ordinary Matternance and Operations - Labor 319,346 50,904 50,652 42,019,44 Ordinary Matternance and Operations - Labor 17,371 13,762 12,254 Ordinary Matternance and Operations Continests and Operations - Continests 17,371 13,662 12,254 Total Protective Services 17,371 13,672 12,254 12,254 Total Muturance and Operations Continests 18,781 12,562 12,254 12,254 Total Departs 18,782 12,573 13,572 12,254 12,254 Total Departs 18,782 12,573 13,573 13,573 13,543 12,545 Total Departs 18,784 11,739 12,545 12,545 12,545 <t< th=""><th>Item</th><th>Description</th><th>MA036000001</th><th>MA036000002</th><th>MA036000003</th><th>AMPs</th><th>Choice Vouchers</th></t<>	Item	Description	MA036000001	MA036000002	MA036000003	AMPs	Choice Vouchers
Water 208, 093 56,723 26,576 288,392 Decinicity 17,871 26,622 27,541 27,541 Gas 17,128 27,541 218,538 Total Unities 102,718 102,718 98,304 750,418 Ordinary Maintenance and Operations - Labor 41,571 56,209 50,004 50,642 42,004 Ordinary Maintenance and Operations - Continues 73,471 15,762 112,548 112,548 Total Principle Sequences Continues 73,471 15,762 112,548 112,548 Total Principle Sequences 75,645 75,701 11,576 112,548 Property Instrumence 14,317 11,576 11,254 112,548 And Other Linearmence 1,418 11,570 11,254 11,254 And Other Linearmence 1,418 1,25 11,254 11,254 And Other Linearmence 1,418 1,25 11,254 11,254 And Other Linearmence 1,419 1,29 1,24 1,25 And Other	92500	Total Tenant Services	90,117	8,438	10,907	109,462	
Water 205,033 56,571 26,576 28,392 Mater Gos 17,2871 218,232 218,532 Todal Utilities 19,915 18,713 218,238 218,238 Todal Utilities 19,001 10,2378 50,904 70,014 70,014 Ordinary Maintenance and Operations - Labor 319,268 50,904 70,014 70,014 Ordinary Maintenance and Operations - Contrasts 21,374 15,72 12,594 11,294 Coldinary Maintenance and Operations - Contrasts 21,780 27,71 11,594 112,594 Total Municenance and Operations - Contrasts 21,780 6,597 80,17 64,699 Total Maintenance Contrasts 21,780 6,597 80,17 6,469 Total Maintenance Compensation 49,252 6,571 8,175 11,254 Workmen's Compensation 6,649 11,780 11,780 11,254 Workmen's Compensation 6,640 11,780 11,780 11,254 Onten'deneral Expenses 10,641 11,780 <			,				
Elementary Class 174,81 26,92 77,72 273,541 Glass Glass 190,813 18,713 218,238 Total Utilities 70,914 70,914 70,914 70,914 Ordinary Maintenance and Operations - Marchana 41,874 6,538 50,912 420,914 Ordinary Maintenance and Operations - Marchanace 73,431 18,762 112,348 112,548 Ordinary Maintenance and Operations - Marchanace 73,431 6,538 71,737 36,209 Ordinary Maintenance and Operations - Marchanace 73,431 18,762 112,548 112,548 Total Protective Services 73,431 18,762 112,548 112,548 Total Protective Services 73,431 18,762 112,548 112,652 Liability Insurance 1,123 1,123 11,652 11,123 11,652 All Other Total Maintenance 6,540 11,739 11,239 1,652 1,675 Cohe General Expenses 1,123 11,739 1,226 1,635 1,640 1,876 <	93100	Water	205,093	56,723	26,576	288,392	-
Octain Utilities 199,815 18737 218,228 Todal Utilities 190,815 187,379 18,238 73,431 218,228 Todal Ordinary Maintenance and Operations - Materials and Other 41,874 6,598 7,737 56,204 Ordinary Maintenance and Operations Contracts 97,843 12,379 112,584 112,584 Including Maintenance and Operations Contracts 97,843 25,91 13,752 121,284 Todal Protective Services 77,843 16,317 16,488 121,284 Property Insurance Emphasis 17,825 16,50 11,255 12,552 All Other Insurance Compensation 20,335 1,650 1,135 64,699 Including Insurance Compensation 6,460 3,975 1,159 1,670 All Other Insurance Permitmes 1,040 1,773 1,284 1,670 All Other Centeral Expenses 1,040 1,779 1,279 1,870 Todal Insurance Permitme 1,040 1,870 1,870 1,870 Todal Other Centeral Expenses 1,040	93200	Electricity	174,871	26,942	71,728	273,541	-
Total Utilities Total Utilities 579,779 102,378 98,304 780,461 Ordinary Maintenance and Operations - Labor 319,568 5,094 50,642 420,014 Ordinary Maintenance and Operations Contracts 73,471 25,791 13,762 112,958 Enablovee Benefit Contributions - Ordinary Maintenance 52,643 25,791 13,762 112,548 Total Potective Services Total Maintenance 49,925 6,751 8,017 64,699 Property Instance Labrilly Instance 12,625 11,25 112,548 112,548 Property Instance Labrilly Instance 1,617 8,017 64,699 6,750 Nowhern's Compression 49,925 6,751 11,253 11,253 11,650 All Other Instance Nomeron Scanner 8,147 11,739 11,650 11,650 All Other Instance Compression Abecause 951 8,43 11,650 11,650 All Other Instance Compression Register 1,610 1,739 1,576 11,650 Compres	93300	Gas	199,815	18,713	,	218,528	1
Ordinary Maintenance and Operations - Labor 319.368 \$0.904 \$0.642 420.914 Ordinary Maintenance and Operations - Materials and Other 41,874 6.598 7.737 52.00 Ordinary Maintenance and Operations - Ontraets 52,6433 97,610 88,589 712,548 Total Maintenance and Operations - Ontraets 526,433 97,610 88,589 712,548 Total Maintenance and Operations - Ordinary Maintenance 526,433 97,610 88,589 712,548 Total Maintenance and Operations - Ordinary Maintenance 6,649 526,433 97,610 88,589 712,652 Property Insurance Analysis of Morerial Expenses 1,540 1,173 6,659 712,652 All Other Insurance Analysis of Morerial Expenses 1,173 1,273 1,273 1,173 Total Insurance Penniums 1,173 1,173 1,173 1,173 1,173 All Other General Expenses 1,173 1,173 1,173 1,173 1,173 Compensated Absences 1,173 1,173 1,173 1,173 1,173 Total Other G	93000	Total Utilities	579,779	102,378	98,304	780,461	1
Ordinary Maintenance and Operations Controls 319,388 50,994 50,642 42,0914 Ordinary Maintenance and Operations Controls and Operations Controls 112,984 17,772 15,091 Ordinary Maintenance and Operations Controls 112,431 25,791 13,762 112,984 Ordinary Maintenance and Operations Controls 12,380 14,317 16,448 112,585 Total Maintenance and Operations Controls 12,380 14,317 16,448 112,585 Total Maintenance Entit Contributions - Ordinary Maintenance Premiums 49,225 6,757 8,017 64,699 Property Insurance Learning Workment Strompensation 6,640 1,175 6,550 Workment Strompensation 6,640 1,175 1,285 6,570 Other General Expenses 11,739 1,285 6,570 Other General Expenses 11,739 1,285 1,285 Total Other Ceneral Expenses 1,784 2,754 2,754 Total Other Ceneral Expenses 1,784 2,754 2,754 Total Other Ceneral Expenses 1,784						-	
Ordinary Maintenance and Operations: Admerials and Other 41,874 6,559 7,777 56,209 Ordinary Maintenance and Operations: Admerials and Other 74,814 25,791 1,777 112,984 Employee Benefit Contributions - Ordinary Maintenance 91,780 14,377 16,448 112,584 Total Maintenance 17,77 56,209 711,2552 711,2552 Total Protective Services 6,649 77 88,389 712,552 Protectiv Insurance 49,255 6,737 8,017 64,699 Mokumars Compensation 20,938 11,25 1,281 1,281 Moly Maintenance 8,640 1,73 1,2,88 1,64 Moly Maintenance 1,640 1,73 1,2,88 1,64 Moly Charles Corpus 1,041 1,37 1,34 1,64 Moly Charles Corpus 1,041 1,37 1,34 1,35 Ording Insurance Premiums 1,041 1,39 1,41 1,41 Ording Insurance Premiums 1,042 1,2,42 1,41 1,41	94100	Ordinary Maintenance and Operations - Labor	319,368	50,904	50,642	420,914	1
Ordinary Maintenance and Operations Contracts 7431 25,791 13,762 11,2984 Total Maintenance and Operations Contract 91,780 14,371 16,488 112,584 Total Maintenance 70 of Maintenance 526,453 97,610 88,589 712,552 Total Maintenance 70 of Mornance 67,57 80,17 64,699 712,552 Property Insurance 1,100 of Mornance 1,100 of Mornance 1,100 of Mornance 6,649 1,1125 6,750 Workmen's Computation 1,100 of Mornance 1,100 of Mornance 1,100 of Mornance 6,649 1,100 of Mornance 1,100 of Mornance <t< td=""><td>94200</td><td>Ordinary Maintenance and Operations - Materials and Other</td><td>41,874</td><td>6,598</td><td>7,737</td><td>56,209</td><td>•</td></t<>	94200	Ordinary Maintenance and Operations - Materials and Other	41,874	6,598	7,737	56,209	•
Employee Benefit Contributions - Ordinary Maintenance 91,780 14,317 16,448 122,545 Total Maintenance 756,453 97,610 88,589 712,652 Total Indirective Services - - - - Property Insurance 1,025 6,757 8,017 6,699 Lish Insurance 1,125 6,750 8,017 6,690 All Other Insurance 1,678 1,125 6,750 8,610 All Other Insurance 1,173 1,173 1,173 1,173 1,610 Other General Expenses 950 884 1 1,835 1,640 Onliber General Expenses 97 885 40 1,876 1,876 Interest of Mortagage (re Bonds) Payable - - - - - - Interest of Mortagage (re Bonds) Payable - - - - - - - - - - - - - - - - - - -	94300	Ordinary Maintenance and Operations Contracts	73,431	25,791	13,762	112,984	-
Total Maintenance 526,453 97,610 88,589 712,652 Total Protective Services	94500	Employee Benefit Contributions - Ordinary Maintenance	91,780	14,317	16,448	122,545	ı
Total Protective Services 49,925 6,737 8,017 64,699 Property Insurance 1,650 1,125 6,730 1,650 1,123 6,730 Workmen's Compensation 20,938 3,332 3,843 28,113 6,640 All Other Insurance 6,400 - - 6,640 - 6,640 - 6,640 - 6,640 - 6,640 - 6,640 - - 6,640 - - 6,640 - - - 6,640 - - - - 6,640 -	94000	Total Maintenance	526,453	97,610	88,589	712,652	1
Total Protective Services 49,925 6,757 8,017 64,699 Property Insurance 3,975 1,650 1,125 6,730 Wich insurance 1,650 1,125 6,730 28,133 All Other Insurance 1,650 1,125 6,730 28,133 All Other Insurance 1,650 1,285 1,650 2,813 Other General Expenses 6,640 1,739 12,985 106,202 Compensated Absences 950 884 1,876 1,876 Compensated Absences Bad debt. Termed Absences 1 1,885 40 1,876 Total Other General Expense 1,876 1,876 1,876 1,876 1,876 Total Other General Expense and Amortization Cost - - - - - - - - Total Other Innerest Of Mortigage (or Bonds) Payable - - - - - - - - - - - - - - - - - <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Property Insurance 49,925 6,757 8,017 64,699 Liability Insurance 1,125 1,125 6,750 Nowkmen's Compensation 5,093 3,975 1,650 1,125 6,730 All Other Insurance Permiums 6,640 3,975 1,650 1,125 6,740 Total insurance Permiums 81,478 11,739 12,985 106,202 Other General Expenses 950 884 1 1,835 Compensated Absences 950 884 1 1,835 Bad debt - Tenant Rents 1 1 39 41 Total Other General Expenses 951 885 40 1,876 Interest of Morreage (or Bonde) Payable - - - - - Total Other General Expenses 1,834,885 296,160 275,434 2,426,479 5 Total Operating Expenses 1,834,885 296,160 275,434 2,426,479 6,3 Excess of Operating Expenses 1,940 2,426,479 - - <td>95000</td> <td>Total Protective Services</td> <td>1</td> <td>•</td> <td>•</td> <td>-</td> <td>•</td>	95000	Total Protective Services	1	•	•	-	•
Property Insurance 49,955 6,777 8,017 64,699 Workments Compensation 20,938 3,332 3,843 6,750 All Other Insurance 6,640 1,255 3,843 28,113 All Other Insurance 6,640 - - 6,640 Compensated Absences 950 884 1 1,835 Compensated Absences 951 885 40 1,876 Bad debt - Tenant Renies 951 885 40 1,876 Interest of Mortgage (or Bonds) Payable - - - - Total Other General Expenses 1,834 2,426,479 5 Interest Expense and Amortization Cost - - - - Total Operating Expenses 1,834,885 296,160 275,434 2,426,479 5 Excess of Operating Expenses 1,834,885 20,201 1,940 50,564 Excess of Operating Expenses 1,940 2,426,479 - - Excess of Operating Expenses 1,940 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>							
Liability Insurance 1,050 1,125 6,750 Workmenster Workmenster 1,050 1,125 6,750 Workmenster 1,050 3,343 3,843 28,113 And Other Insurance 1,050 1,050 1,050 1,050 Total Other General Expenses -	96110	Property Insurance	49,925	6,757	8,017	64,699	1
Worknear S Compensation 20,338 3,332 3,843 28,113 All Other Insurance All Other Insurance - - - 6,640 - Other General Expenses 950 884 1 1,835 Cother General Expenses 951 885 40 1,876 Bad obter T chant Rents 951 885 40 1,876 Total Other General Expenses 951 885 40 1,876 Interest of Mortgage (or Bonds) Payable - - - - Interest of Mortgage (or Bonds) Payable - - - - Total Interest Expense and Amortization Cost - - - - Total Interest Expense and Amortization Cost - - - - - Total Other General Expenses 1,854,885 296,160 275,434 5,054 - Excess of Operating Expenses 103,48 - - - - - - - - - - -	96120	Liability Insurance	3,975	1,650	1,125	6,750	18,385
All Other Insurance 6,640	96130	Workmen's Compensation	20,938	3,332	3,843	28,113	2,455
Total insurance Premiums	96140	All Other Insurance	6,640	•	•	6,640	•
Other General Expenses -	96100	Total insurance Premiums	81,478	11,739	12,985	106,202	20,840
Other General Expenses -							
Compensated Absences 950 884 1 1,835 Bad debt - Tenant Renis 1 1 39 41 Total Other General Expenses 951 885 40 1,876 Interest Of Mortgage (or Bonds) Payable - - - - - Total Interest Expense and Amortization Cost - - - - - Total Interest Expense and Amortization Cost - - - - - Total Interest Expense and Amortization Cost - - - - - Total Operating Expenses 1,854,885 296,160 275,434 2,426,479 50 Excess of Operating Expenses 500,078 (22,997) 42,053 528,134 6,50 Extraordinary Maintenance 28,423 20,201 1,940 50,564 - Casualty Losses - Non-capitalized - - - - - Housing Assistance Payments - - - - - Housing Expenses	96200	Other General Expenses	•	•	1	•	4,331
Bad debt - Tenant Rents 1 39 41 Total Other General Expenses 951 885 40 1,876 Interest Of Mortgage (or Bonds) Payable - - - - - Total Interest Expense and Amortization Cost - - - - - Total Interest Expense and Amortization Cost - - - - - Total Interest Expense and Amortization Cost 1,854,885 296,160 275,434 2,426,479 50 Total Operating Expenses 509,078 (22,997) 42,053 528,134 6,50 Excess of Operating Expenses 103,348 - - - - - Extraordinary Maintenance 28,423 20,201 1,940 50,564 -	96210	Compensated Absences	950	884	I	1,835	88
Total Other General Expenses 951 885 40 1,876 Interest of Mortgage (or Bonds) Payable - - - - - - Total Interest Expense and Amortization Cost - - - - - - - Total Interest Expense and Amortization Cost -	96400	Bad debt - Tenant Rents	1	-	39	41	•
Total Interest of Mortgage (or Bonds) Payable	00096	Total Other General Expenses	951	885	40	1,876	4,419
Total Interest Expense and Amortization Cost Total Interest Expense and Amortization Cost Total Interest Expense and Amortization Cost Total Interest Expense and Amortization Cost Total Interest Expenses Total Interest Expenses	04710	Interest of Mortona (or Donde) Darople		1	•		-
Total Operating Expenses	00230	The Interest Discussion and American Cont	'		1 1		•
Total Operating Expenses 1,854,885 296,160 275,434 2,426,479 5 Excess of Operating Revenue over Operating Expenses 509,078 (22,997) 42,053 528,134 6,5 Extraordinary Maintenance 28,423 20,201 1,940 50,564 6,564 Casualty Losses - Non-capitalized 103,348 - - 103,348 - 6,564 HAP Portability-In - - - - - 6,564 Depreciation Expense 4426,500 41,921 2,261 470,682 6,564 Total Expenses 2,413,156 358,282 279,635 3,051,073 6,5 Total Other financing Sources (Uses) - - - - -	20/00	10tal ilitelest Expense and Almortzanon Cost					
Excess of Operating Revenue over Operating Expenses 509,078 (22,997) 42,053 528,134 6,5 Extraordinary Maintenance 28,423 20,201 1,940 50,564 6,564 Casualty Losses - Non-capitalized 103,348 - - 103,348 Housing Assistance Payments - - 6,3 HAP Portability-In - - - 6,3 Depreciation Expense 426,500 41,921 2,261 470,682 - Total Expenses 2,413,156 358,282 279,635 3,051,073 6,5 Total Other financing Sources (Uses) - - - - -	00696	Total Operating Expenses	1,854,885	296,160	275,434	2,426,479	509,301
Extraordinary Maintenance 28,423 20,201 1,940 50,564 Casualty Losses - Non-capitalized - - - 103,348 6,3 Housing Assistance Payments - - - - 6,3 HAP Portability-In Depreciation Expense - - - - - Total Expenses 426,500 41,921 2,261 470,682 - Total Expenses 2,413,156 358,282 279,635 3,051,073 6,5 Total Other financing Sources (Uses) - - - - -	97000	Excess of Operating Revenue over Operating Expenses	509,078	(22,997)	42,053	528,134	6,509,750
Casualty Losses - Non-capitalized 103,348 - 103,348 6,3 Housing Assistance Payments - - - 6,3 HAP Portability-In Depreciation Expense - - - - 6,5 Total Expenses 2,413,156 358,282 279,635 3,051,073 6,5 Total Other financing Sources (Uses) - - - - -	97100	Extraordinary Maintenance	28,423	20,201	1,940	50,564	-
Housing Assistance Payments - - - 6,3 HAP Portability-In Depreciation Expense -	97200	Casualty Losses - Non-capitalized	103,348	ı	•	103,348	-
HAP Portability-In - - - Depreciation Expense 426,500 41,921 2,261 470,682 Total Expenses 2,413,156 358,282 279,635 3,051,073 6,5 Total Other financing Sources (Uses) - - - - - -	97300	Housing Assistance Payments	1	•	•	•	6,374,283
Depreciation Expense 426,500 41,921 2,261 470,682 Total Expenses 2,413,156 358,282 279,635 3,051,073 Total Other financing Sources (Uses) - - - -	97350	HAP Portability-In	-	•	-	-	70,280
Total Expenses 2,413,156 358,282 279,635 3,051,073 Total Other financing Sources (Uses) - - -	97400	Depreciation Expense	426,500	41,921	2,261	470,682	•
Total Other financing Sources (Uses)	00006	Total Expenses	2,413,156	358,282	279,635	3,051,073	6,953,864
Total Office Infancing Sources (Uses)	20101	7 1V 2 2 1V 1 4					
	10100	1 of al Other Imancing Sources (Uses)		•	,	•	•

DECEMBER 31, 2018

SUPPLEMENTARY FINANCIAL DATA SCHEDULE

FDS Line Item	Description	MA036000001	MA036000002	MA036000003	AMPs	Housing Choice Vouchers
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(49,193)	(85,119)	37,852	(96,460)	65,187
11020	Required Annual Debt Principal Payments		-	•	•	•
11030	Beginning Equity	3,647,154	564,393	316,864	4,528,411	(89,713)
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors	(206,808)	(93,656)	(94,046)	(894,510)	(246,748)
11170	Administrative Fee Equity	-	-	-	•	(333,604)
11180	Housing Assistance Payments Equity	•	1	1	-	62,330
11190	Unit Months Available	2,712	432	432	3,576	5,134
11210	11210 Number of Unit Months Leased	2,643	401	426	3,470	5,084
11620	Building Purchases	286,604	•	-	286,604	1
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NEWTON HOUSING AUTHORITY

SUPPLEMENTARY FINANCIAL DATA SCHEDULE

DECEMBER 31, 2018

11 Cach - Unrestricted 276,547 1,137,94 3,482,785	Item	Description	Section 8 Programs	Business Activities	State/Local	Eliminations	Total
Cash - Tomer Restricted Cash - Tomer Restricted 4499 4509 Total - Terrant Security Deposits 276,547 1,137,794 3,467,629 8,8 Total - Terrant Security Deposits 22,338 41,839 8,8 8,8 Accounts Receivable - Pirka Projects 22,338 41,839 1,1374 8,67,629 8,8 Accounts Receivable - Terrants 22,338 41,830 4,240 2,538 1,1374 8,67,629 8,8 Frank Recovery Allowance for Doubtful Accounts - Terrants 22,338 41,830 1,24,133 1,24,133 1,24,133 1,24,133 1,24,133 1,24,133 1,24,133 1,24,133 1,24,134 1,24,133 1,24,134 1,24,133 1,24,134 1,24,133 1,24,134		Cash - Unrestricted	276.547	1.137.794	3.482.768	,	8.213.206
Ceal - Tenant Security Deposits 392 8. Total Cash - Tenant Security Deposits 276,547 1,137,794 3,487,529 8. Accounts Receivable - Plat Projects Accounts Receivable - Plate 111,234 113,24 11,337 Accounts Receivable - Other Government Accounts Receivable - Tenants 11,334 11,334 11,334 Accounts Receivable - Other Covernment Accounts Receivable - Tenants 11,334 11,334 11,334 Final Receivable - Plant Allowance for Doubtful Accounts - Tenants 11,334 27,238 4,836 1 Final Receivables, Net of Allowances for Doubtful Accounts - Tenants 11,334 27,238 2,528 2 Final Receivables, Net of Allowances for Doubtful Accounts 27,434 27,736 3,538 3,538 3,538 3,538 3,538 3,538 3,538 3,542 3,542 3,528 3,542 3,529 3,544 3,529 3,544 3,529 3,544 3,544 3,544 3,544 3,544 3,544 3,544 3,544 3,544 3,544 3,544 3,544	13	Cash - Other Restricted			4.469		66.799
Total Cash	114	Cash - Tenant Security Deposits			392	1	392
Accounts Receivable - PHA Projects Accounts Receivable - Chest Covernment Accounts Receivable - Tenants Final Receivable - Tenants Final Receivable - Research Final Current Assets Final Receivable - Research Final Research	100	Total Cash	276,547	1,137,794	3,487,629	1	8,280,397
Accounts Receivable — PltA Projects Accounts Receivable — Tennis Accounts Receivable — PltA Projects Accounts Receivable — Tennis Fraud Receivable —							
Accounts Pecialists 1.13.44 - </td <td>121</td> <td>Accounts Receivable - PHA Projects</td> <td>_</td> <td>•</td> <td>•</td> <td>1</td> <td>206</td>	121	Accounts Receivable - PHA Projects	_	•	•	1	206
Allowance Receivable - Tenants Allowance Receivable - Tenants Accounts Receivable - Tenants Allowance Receivable - Tenants C. 40403	124	Accounts Receivable - Other Government	-	•	111,324	-	111,324
Allowance for Doubftful Accounts - Tenants C C C C C C C C C	126	Accounts Receivable - Tenants		22,338	41,850	1	103,214
Freque Recovery Fread	126.1	Allowance for Doubtful Accounts -Tenants		(17,490)	(24,043)	1	(73,718)
Allowance for Doubtful Accounts Fraud Total Receivables, Net of Allowances for Doubtful Accounts Fraud Total Receivables, Net of Allowances for Doubtful Accounts Total Current Assets Total Projects/Notrgage Revenue Total Current Liabilities Total Curr	128	Fraud Recovery	-	-	5,528	-	13,908
Total Receivables, Net of Allowances for Doubtful Accounts Prepaid Expenses and Other Assets 129,131 Prepaid Expenses and Other Assets 127,96 Total Capital Assets 127,96 Land	128.1	Allowance for Doubtful Accounts - Fraud	1	-	(5,528)	•	(13,908)
Prepaid Expenses and Other Assets 276,547 1,157,426 3,644,566 	120		-	4,848	129,131	1	141,026
Prepaid Expenses and Other Assets 14,744 27,796 - Land 10al Current Assets - 2,41,307 2,44,556 - Buildings - 2,41,307 2,429,652 - - Furniture, Equipment & Machinery - Administration - 2,41,307 2,429,652 - Furniture, Equipment & Machinery - Administration - 2,41,307 2,429,632 - Construction in Progress - 2,41,307 1,244,472 - - Construction in Progress - 415,322 (2,495,528) - - Total Non-Current Assets, Net of Accumulated Depreciation - 8,627,308 5,835,211 - - Total Non-Current Assets, Net of Accumulated Depreciation - 8,627,308 5,835,211 - - Total Assets and Deferred Outflow of Resources - 8,627,308 5,835,211 - - Accounts Payable Country Payable - 9,831,864 9,618,823 - - Accounts Payable - Other Government - 1,760 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Total Current Assets 276,547 1,157,426 3,644,556 - Land Land - 2,471,307 2,429,632 - Buildings - 8,141,593 12,077,393 - Actumulated Depreciation - (2,495,322) (9,945,028) - Actumulated Depreciation - (2,495,322) (9,945,028) - Construction in Progress - (2,495,322) - - Total Capital Assets, Net of Accured - (2,495,322) - - Total Capital Assets - (2,495,322) - - Deferred Outflow of Resources - (2,495,322) - - Accured Departs - (2,495,322)	142	Prepaid Expenses and Other Assets	-	14,784	27,796	-	93,404
Land Land Buildings - 2,471,307 2,429,632 - Buildings - 8,141,593 12,077,393 - Accumulated Depreciation - (2,405,202) - 12,077,393 - Accumulated Depreciation - (2,405,202) (9,945,028) - - Constructor in Propreciation - 415,520 1,244,472 - - Total Capital Assets, Net of Accumulated Depreciation - 8,627,308 5,835,211 - Total Assets and Deferred Outflow of Resources - 8,627,308 5,835,211 - Deferred Outflow of Resources 28,044 9,81,864 9,618,823 - Accounts Payable C=90 Days Accured Nage/Payroll Taxes Payable - 1,7602 56,601 - Accured Longersated Absences - Current Portion - 1,834 6,834 - - Accured Longersated Absences - Current Portion - 1,174 - - - - Accured Liabitale - HUD PHA Programs	150	Total Current Assets	276,547	1,157,426	3,644,556	•	8,514,827
Land - 2471,307 2,439,632 - 2471,307 - 2,496,532 - 6,411,593 - 12,077,393 - 6,411,593 - 12,077,393 - 6,411,593 - 12,077,393 - 6,412,202 - 6,445,720 - 6,444,72 - 6,445,720 - 6,444,72 - 6,442,720 - 6,444,72 - 6,							
Buildings Buildings Buildings Construction Equipment & Machinery - Administration Equipment & Machinery - Equipment & Machinery - Administration Equipment & Machinery - Equipment & Equipment	161	Land	-	2,471,307	2,429,632	•	5,961,657
Furniture, Equipment & Machinery - Administration Ca. 4045,322 Ca. 4045,028 Contention Propreciation Contention Propreciation Content Depreciation	162	Buildings	_	8,141,593	12,077,393	•	33,642,909
Accumulated Depreciation C.4465,322 C.945,028 Construction in Progress C.445,520 1,244,472 C.445,521 C.445,522 C.445,522 C.445,522 C.445,522 C.445,522 C.445,522 C.445,522 C.445,722 C.445,722 C.445,723 C.445,722 C.445,723 C.445,724 C.445,	164	Furniture, Equipment & Machinery - Administration	-	4,210	28,742	•	114,061
Construction in Progress - 415,520 1,244,472 - 124,472 - 18 Total Capital Assets, Net of Accumulated Depreciation - 8,627,308 5,835,211 - 18 Total Non-Current Assets - 8,627,308 5,835,211 - 18 Deferred Outflow of Resources - 8,627,308 5,835,211 - 18 Deferred Outflow of Resources - 8,627,308 5,835,211 - 18 Total Assets and Deferred Outflow of Resources - 139,056 - 27 Total Assets and Deferred Outflow of Resources - 17,602 139,056 - 27 Accounts Payable ← 90 Days - 27 Accounts Payable ← 90 Days - 27 Accounts Payable ← HUD PHA Programs - 1,894 6,834 Accounts Payable − HUD PHA Programs - 1,174 1,346 Accounts Payable − HUD PHA Programs - 1,174 1,346 Accounts Payable − Other Government - 23,493 Accounts Payable − Other Government Accounts Payable − HUD PHA Programs Accounts Payable − Other Government Accounts Payable − - Accounts Payable − - Accoun	166	Accumulated Depreciation	•	(2,405,322)	(9,945,028)	-	(23,701,301)
Total Non-Current Assets, Net of Accumulated Depreciation	167	Construction in Progress		415,520	1,244,472	1	2,050,396
Total Non-Current Assets S,497 47,130 5,835,211 18 Deferred Outflow of Resources 5,497 47,130 139,056 - 139,056 - Total Assets and Deferred Outflow of Resources 282,044 9,831,864 9,618,823 - 27 Accounts Payable <= 90 Days	160	Total Capital Assets, Net of Accumulated Depreciation	•	8,627,308	5,835,211	•	18,067,722
Deferred Outflow of Resources 5,497 47,130 139,056 - Total Assets and Deferred Outflow of Resources 282,044 9,831,864 9,618,823 - 277 Accounts Payable ←= 90 Days 739 17,602 56,601 - - 277 Accrued Wage/Payroll Taxes Payable 292 3,543 9,982 - - - Accounts Payable - HUD PHA Programs 4,834 6,834 - - - Accounts Payable - HUD PHA Programs - 1,174 1,346 - - Accounts Payable - HUD PHA Programs - - 1,174 1,346 - - Accounts Payable - HUD PHA Programs - - 23,493 - - - Accounts Payable - HUD PHA Programs - - - - - - - Accounts Payable - HUD PHA Programs - - - - - - - - - - - - - - - <t< td=""><td>180</td><td>Total Non-Current Assets</td><td></td><td>8.627.308</td><td>5.835.211</td><td>•</td><td>18,067,722</td></t<>	180	Total Non-Current Assets		8.627.308	5.835.211	•	18,067,722
Deferred Outflow of Resources 5,497 47,130 139,056 - Total Assets and Deferred Outflow of Resources 282,044 9,831,864 9,618,823 - 27 Accounts Payable <= 90 Days	2	TOTAL TABLE					
Total Assets and Deferred Outflow of Resources 282,044 9,831,864 9,618,823 - 27 Accounts Payable <= 90 Days	200	Deferred Outflow of Resources	5,497	47,130	139,056	•	520,602
Accounts Payable <= 90 Days 739 17,602 56,601 - Accrued Wage/Payroll Taxes Payable 292 3,543 9,982 - Accrued Compensated Absences - Current Portion 145 1,894 6,834 - Accrued Interest Payable - 1,174 1,346 - Accounts Payable - HUD PHA Programs - 1,174 1,346 - Accounts Payable - Other Government - 23,493 - - Accounts Payable - Other Government - 23,493 - - Tenant Security Deposits - - 332 - Unearned Revenue - 4,493 49,761 - Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue - 4,493 49,761 - Other Current Liabilities - - 257,500 - - Total Current Liabilities - - - 257,500 - - Total Current Liabilities - - - - -	290	Total Assets and Deferred Outflow of Resources	282,044	9,831,864	9,618,823	-	27,103,151
Accured Wage/Payroll Taxes Payable 292 3,543 9,982 - Accured Compensated Absences - Current Portion 145 1,894 6,834 - Accured Interest Payable - 1,174 1,346 - Accounts Payable - HUD PHA Programs - 23,493 - - Accounts Payable - Other Government - 23,493 - - Tenant Security Deposits - 4,493 49,761 - Unearned Revenue - 4,493 49,761 - Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue - 68,005 73,884 - Other Current Liabilities - 257,500 - - 257,500 - Total Current Liabilities - 96,711 479,793 - -	312	Accounts Pavable <= 00 Dave	739	17,602	56.601		191.734
Accrued Compensated Absences - Current Portion 145 1,894 6,834 - Accrued Interest Payable - HUD PHA Programs - 1,174 1,346 - Accounts Payable - HUD PHA Programs - 23,493 - - Accounts Payable - Other Government - 23,493 - - Tenant Security Deposits - 392 - - Unearned Revenue - 4,493 49,761 - Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue - 68,005 73,884 - Other Current Liabilities - 257,500 - - Total Current Liabilities - 479,793 - -	32.1	Accused Wage/Pavroll Taxes Pavable	292	3,543	9,982	1	39,847
Accounts Payable - HUD PHA Programs 1,174 1,346 - Accounts Payable - HUD PHA Programs 30,249 - - Accounts Payable - Other Government - 23,493 - Tenant Security Deposits - 392 - Unearned Revenue - 4,493 49,761 - Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue - 68,005 73,884 - Other Current Liabilities - 257,500 - Total Current Liabilities - 96,711 479,793 -	322	Accrued Compensated Absences - Current Portion	145	1,894	6,834		23,537
Accounts Payable - HUD PHA Programs 30,249 -	325	Accrued Interest Payable		1,174	1,346	-	2,520
Accounts Payable - Other Government - 23,493 - 23,493 - - 23,493 - - - 392 - - - 392 -	331	Accounts Payable - HUD PHA Programs	30,249	•	-		30,249
Tenant Security Deposits - 392 - Unearned Revenue - 4,493 49,761 - Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue - 68,005 73,884 - Other Current Liabilities - 257,500 - - Total Current Liabilities 96,711 479,793 -	333	Accounts Payable - Other Government		•	23,493	•	23,493
Unearned Revenue - 4,493 49,761 - Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue - 68,005 73,884 - Other Current Liabilities - 257,500 - Total Current Liabilities 96,711 479,793 -	341	Tenant Security Deposits	-	•	392	•	392
Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue - 68,005 73,884 - - Other Current Liabilities - 257,500 - - Total Current Liabilities 31,425 96,711 479,793 -	342	Unearned Revenue	•	4,493	49,761	•	76,194
Other Current Liabilities - 257,500 - Total Current Liabilities 31,425 96,711 479,793 -	343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	1	68,005	73,884	-	141,889
Total Current Liabilities - 31,425 96,711 479,793 -	345	Other Current Liabilities	1	•	257,500	•	257,500
	310	Total Current Liabilities	31,425	96,711	479,793	1	787,355

SUPPLEMENTARY FINANCIAL DATA SCHEDULE

DECEMBER 31, 2018

FDS Line Item	Description	N/C S/R Section 8 Programs	Business Activities	State/Local	Eliminations	Total
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	t	1,865,218	156,869		2,022,087
353	Non-current Liabilities - Other			4,469	•	4,469
354	Accrued Compensated Absences - Non Current	757	7,069	25,232	,	92,536
357	Accrued Pension and OPEB Liabilities	868'95	495,870	1,572,231	'	5,815,510
350	Total Non-Current Liabilities	57,655	2,368,157	1,758,801	1	7,934,602
300	Total Liabilities	080 68	2.464.868	2 238 594		8 771 957
			2226			2,751
400	Deferred Inflow of Resources	1,915	18,571	69,042	ı	264,366
508.4	Not Investment in Canital Access	1	4 534 060	5 604 459		13 743 730
511.4	Restricted Net Position		2 160 016	2,500,5	1	22,742,730
512.4	Unrestricted Net Position	191.049	654.340	1 706 729	1	2.150.752
513	Total Equity - Net Assets / Position	191,049	7,348,425	7,311,187	•	18,116,828
009	Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position	282,044	9,831,864	9,618,823	1	27,103,151
70300	Net Tenant Rental Revenue	•	796.438	2.314.448	(390.153)	3.831.839
70500	Total Tenant Revenue	•	796,438	2,314,448	(390,153)	3,831,839
70600	HUD PHA Operating Grants	131,195	4	-	•	8,450,370
70610	Capital Grants	•	•	•	1	286,604
70700	Total Fee Revenue		1	ı	•	•
70800	Other Government Grants		222,311	838,351	t	1,060,662
/1100	Investment Income - Unrestricted	7,744	8,425	35,589		82,046
/1400	Fraud Kecovery	•	- 6.00	14,406	•	14,406
70000	Unter Revenue Total Revenue	133 939	1.069.384	3 239 738	(390.153)	300,645
91100	Administrative Salaries	12,251	120,964	155,371	-	915,556
91200	Auditing Fees	749	1,310	4,817	1	12,961
91500	Employee Benefit contributions - Administrative	5,902	50,494	115,943	•	532,290
91600	Office Expenses	3,766	15,656	46,333	1	183,612
91700	Legal Expense	1,115	107,726	12,844	•	151,629
91800	Travel	437	955	3,645		16,757
91900	Other	792	1,744	7,883	•	57,760
91000	Total Operating - Administrative	25,012	298,849	346,836		1,870,565
00100	Tonnat Carrings - Colorias			2 221		00 140
00300	Template Denefit Contributions Tonont Continue		•	000	•	75 633
74300	באוזיטט ביטואנט ביטואיט ביטואיט ביטואיט ביטואיט ביטואיטי	-	 	1000	-	23,033

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NEWTON HOUSING AUTHORITY

SUPPLEMENTARY FINANCIAL DATA SCHEDULE DECEMBER 31, 2018

Total Tenant Services Water Water Electricity Gas Total Utilities Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Protective Services Property Insurance Liability Insurance Liability Insurance Compensated Absences Bad debt - Tenant Rents Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses		61,478 31,834 20,536 113,848 52,986 4,924 99,529 13,470 170,909 1,498 5,559	4,311 160,557 12,161 36,466 269,184 283,741 41,430 470,074 84,543 84,543 879,788 779,788		113,773 113,773 510,427 377,536 275,530 1,163,493 102,563 682,587 220,558 1,763,349 1,763,349 1,763,349 682,687 220,588 1,763,349 682,687 683,687 68
Total Tenant Services Water Electricity Gas Total Utilities Total Utilities Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Total Maintenance Workmen's Compensation All Other Insurance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Other General Expenses Total Other General Expenses Total Other General Expenses		61,478 31,834 20,536 113,848 52,986 4,924 99,529 13,470 170,909	160,557 160,557 72,161 36,466 269,184 283,741 41,430 470,074 84,543 84,543 879,788 779,788		113,773 510,427 377,536 275,530 1,163,493 102,563 682,587 682,587 1,763,349 1,763,349 1,763,349 1,763,349 682,687 520,633 53,862 6640
Water Electricity Gas Total Utilities Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Total Maintenance Total Maintenance Total Protective Services Property Insurance Workmen's Compensation All Other Insurance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses		61,478 31,834 20,536 113,848 52,986 4,924 99,529 13,470 170,909 1,498 5,559	160,557 72,161 36,466 269,184 283,741 41,430 470,074 84,543 879,788 		510,427 377,536 275,530 1,163,493 102,563 682,587 220,588 1,763,349 1,763,349 1,763,349 1,763,349 26,633 53,862 6,640
Water Electricity Gas Total Utilities Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Liability Insurance Workmen's Compensation All Other Insurance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expenses Interest of Mortgage (and Amortization Cost Total Operating Expenses		61,478 31,834 20,536 113,848 52,986 4,924 99,529 13,470 170,909 170,909 170,909 170,909	160,557 72,161 36,466 269,184 283,741 41,430 470,074 84,543 879,788 		510,427 377,536 1,163,493 1,163,493 102,564 682,587 220,588 1,763,349 1,763,349 1,763,349 1,763,349 26,633 53,862 6,640
Electricity Gas Total Utilities Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Total Protective Services Property Insurance Liability Insurance Workmen's Compensation All Other Insurance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Departing Expenses		31,834 20,536 113,848 52,986 4,924 99,529 13,470 170,909 - 35,257 1,498 5,559	72,161 36,466 269,184 283,741 41,430 470,074 84,543 879,788 		377,536 275,530 1,163,493 1,163,493 682,587 682,587 220,558 1,763,349 1,763,349 1,763,349 26,633 53,862 6,640
Cordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Total Protective Services Property Insurance Liability Insurance Workmen's Compensation All Other Insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Total Other General Expenses Total Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses		20,536 113,848 52,986 4,924 99,529 13,470 170,909 	36,466 269,184 283,741 41,430 470,074 84,543 879,788 		275,530 1,163,493 1,163,493 102,563 682,587 220,588 1,763,349 1,763,349 1,8402 26,633 53,862 6,640
Total Utilities Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Liability Insurance Liability Insurance Workmance Workmance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenan Rents Total insurance Bad Absences Dother General Expenses Total Other General Expenses Total Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost		113,848 52,986 4,924 99,529 13,470 170,909 - 35,257 1,498 5,559	283,741 283,741 41,430 470,074 84,543 879,788 18,446		1,163,493 757,641 102,563 682,587 220,588 1,763,349 - 1118,402 26,633 53,862 6,640
Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Liability Insurance Workmen's Compensation All Other Insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses		52,986 4,924 99,529 13,470 170,909 - 35,257 1,498 5,559	283,741 41,430 470,074 84,543 879,788 17,522		757,641 102,563 102,587 220,588 1,763,349 1,763,349 26,633 53,862 6,640
Ordinary Maintenance and Operations - Labor Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations - Ontinacts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Total Protective Services Property Insurance Liability Insurance Workmen's Compensation All Other Insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Other General Expenses		52,986 4,924 99,529 13,470 170,909 - - 35,257 1,498 5,559	283,741 41,430 470,074 84,543 879,788 - - - 18,446		757,641 102,563 102,587 220,588 1,763,349 1,763,349 118,402 26,633 53,862 6,640
Ordinary Maintenance and Operations - Materials and Other Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Total Protective Services Property Insurance Uiability Insurance Workmen's Compensation All Other Insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Interest Expenses		4,924 99,529 13,470 170,909 - 35,257 1,498 5,559	41,430 470,074 84,543 879,788 18,446		102,563 682,587 220,558 1,763,349 - 1118,402 26,633 53,862 6,640
Ordinary Maintenance and Operations Contracts Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Protective Services Property Insurance Liability Insurance Workmen's Compensation All Other Insurance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Interest Expenses		99,529 13,470 170,909 35,257 1,498 5,559	84,543 84,543 879,788 18,446 - 17,522	1 1 1 1 1 1 1	682,587 220,558 1,763,349 1,763,349 - 118,402 26,633 53,862 6,640
Employee Benefit Contributions - Ordinary Maintenance Total Maintenance Total Maintenance Liability Insurance Liability Insurance Workmen's Compensation All Other Insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Other General Expenses Total Interest Expense and Amortization Cost Total Operating Expenses	213	13,470 170,909 - 35,257 1,498 5,559	84,543 879,788 18,446 - 17,522		220,558 1,763,349 1,763,349 26,633 53,862 6,640
Total Maintenance Total Maintenance Liability Insurance Liability Insurance Liability Insurance Liability Insurance Liability Insurance All Other Insurance Premiums All Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Other General Expenses Total Other General Expenses Total Other General Expenses Total Other General Expenses	213	35,257 1,498 5,559	879,788 - - 18,446 - - 17,522	, , , , , , , , , , , , , , , , , , , ,	1,763,349 - 118,402 26,633 53,862 6,640
Total Protective Services Property Insurance Liability Insurance Liability Insurance Liability Insurance Workmen's Compensation All Other Insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Other Expense and Amortization Cost Total Operating Expenses	213	35,257 1,498 5,559	18,446		118,402 26,633 53,862 6,640
Total Protective Services Property Insurance Liability Insurance Liability Insurance All Other Insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	213	35,257 1,498 5,559	18,446		118,402 26,633 53,862 6,640
Property Insurance Liability Insurance Workmen S Compensation All Other Insurance Premiums Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	213	35,257 1,498 5,559	18,446	1 1	118,402 26,633 53,862 6,640
Property Insurance Liability Insurance Liability Insurance Compensation All Other Insurance Premiums Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	213	5,25/	18,446	1 1	118,402 26,633 53,862 6,640
Liability Insurance Workmen's Compensation All Other Insurance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	213	1,498	17,522	1	26,633 53,862 6,640
Workmen's Compensation All Other Insurance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	213	5,559	17,522	•	53,862 6,640
All Other Insurance Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	213	- 3	•		6,640
Total insurance Premiums Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	213	, , , , ,		1	
Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses		42,314	35,968	•	205,537
Other General Expenses Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Total Interest Expense and Amortization Cost Total Operating Expenses					
Compensated Absences Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	-	67,145	•	•	71,476
Bad debt - Tenant Rents Total Other General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	2	220	749	•	2,894
Total Oher General Expenses Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	•	2,259	23,700		26,000
Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses	2	69,624	24,449	1	100,370
Interest of Mortgage (or Bonds) Payable Total Interest Expense and Amortization Cost Total Operating Expenses					
Total Interest Expense and Amortization Cost Total Operating Expenses	8	86,380	18,391	1	104,771
Total Operating Expenses	•	86,380	18,391	1	104,771
company of many	25 227	781.924	1.578.927	1	5.321.858
Excess of Operating Revenue over Operating Expenses	108,712	287,460	1,660,811	(390,153)	8,704,714
\dashv		1,075	48,434		100,073
97200 Casualty Losses - Non-capitalized	1	•		•	103,348
97300 Housing Assistance Payments 93	93,579	•	265,185	(390,153)	6,342,894
97350 HAP Portability-In	•	1	1	•	70,280
_	4	232,863	344,653	•	1,048,198
90000 Total Expenses 118	118,806	1,015,862	2,237,199	(390,153)	12,986,651
10100 Total Other financing Sources (Uses)	•	•	•	1	•

SUPPLEMENTARY FINANCIAL DATA SCHEDULE

DECEMBER 31, 2018

Total	1,039,921	137,745	18,795,632	(1,718,725)	(333,604)	62,330	12,394	12,114	286,604
Eliminations	-	•	- 1) -	•	•	-	•	ŧ
State/Local	1,002,539	68,903	6,753,987	(445,339)	•	-	2,712	2,648	1
Business Activities	53,522	68,842	7,414,750	(119,847)	-		672	612	
N/C S/R Section 8 Programs	15,133	•	188,197	(12,281)	•	•	300	300	-
Description	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	Required Annual Debt Principal Payments	Beginning Equity	Prior Period Adjustments, Equity Transfers and Correction of Errors	Administrative Fee Equity	Housing Assistance Payments Equity	Unit Months Available	Number of Unit Months Leased	Building Purchases
FDS Line Item	10000	11020	11030	11040	11170	11180	11190	11210	11620

STATEMENT OF ACTUAL MODERNIZATION COSTS – UNCOMPLETED

FOR THE YEAR ENDED DECEMBER 31, 2018

Project:	MA01	P036501-16	MAG)1P036501-17
Modernization Funds Approved	\$	290,435	\$	313,889
Modernization Funds Expended		140,500	 	279,904
Excess of Modernization Funds Approved	\$	149,935	\$	33,985
Modernization Funds Advanced	\$	140,500	\$	279,904
Modernization Funds Expended		140,500		279,904
Excess of Modernization Funds Advanced	\$		\$	_

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2018

	CFDA Number	Pass- Through Award <u>Number</u>	Amounts Provided to Sub-recipients	Federal Financial Assistance Expenditures
Department of Housing & Urban Development (HUD)				
Housing Voucher Cluster Section 8 Housing Choice Vouchers Total Housing Voucher Cluster	14.871	ţ	s	\$ 6,883,584 6,883,584
Section 8 Project-Based Cluster Section 8 New Construction and Substantial Rehabilitation Section 8 New Construction and Substantial Rehabilitation Total Section 8 Project-Based Cluster	14.182 14.182	 MA06H052048		131,195 1,476,990 1,608,185
Public and Indian Housing Public Housing Capital Fund (CFP)	14.850 14.872	1 1	' '	1,377,378
Total Department of Housing & Urban Development				10,155,751
Total Expenditures of Federal Awards			5	\$ 10,155,751

See Notes to the Schedule of Expenditures of Federal Awards

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Newton Housing Authority, under programs of the federal government for the year ended December 31, 2018. The information in the schedule is presented in accordance with the requirements of the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Newton Housing Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of Newton Housing Authority.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. For cost-reimbursement awards, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. For performance-based awards, expenditures reported represent amounts earned.

NOTE 3 - INDIRECT COST RATE

The Newton Housing Authority has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



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

To The Board of Commissioners Newton Housing Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Newton Housing Authority as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Newton Housing Authority's basic financial statements, and have issued our report thereon dated September 30, 2019.

Internal Control over Financial Reporting

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

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

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



Compliance and Other Matters

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

Purpose of this Report

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

Boston, Massachusetts

Marcun LLP

September 30, 2019



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To The Board of Commissioners Newton Housing Authority

Report on Compliance for Each Major Federal Program

We have audited the Newton Housing Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Newton Housing Authority's major federal programs for the year ended December 31, 2018. The Newton Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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



Opinion on Each Major Federal Program

In our opinion, the Newton Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018

Report on Internal Control over Compliance

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

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

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

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

Boston, Massachusetts September 30, 2019

Marcust LLP

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION I - SUMMARY OF AUDITORS' RESULTS

No prior year findings.

FINANCIAL STATEMENTS		
Type of auditors' report issued on wheth audited were prepared in accordance wit		tements Unmodified Opinion
Internal control over financial reporting: • Material weakness(es) identified • Significant deficiency(ies) identi	!?	YesX_ No YesX_ None Reported
Noncompliance material to financial state	tements noted?	Yes <u>X</u> No
FEDERAL AWARDS		
 Internal control over major federal progr Material weakness(es) identified Significant deficiency(ies) identified 	1?	Yes X No Yes X None Reported
Type of auditors' report issued on composite for major federal programs:	liance	Unmodified Opinion
Any audit findings disclosed that are requested in accordance with 2 CFR 2		Yes <u>X</u> No
Identification of major federal programs	:	
CFDA#	Name of Federal	Program or Cluster
14.872 14.871		sing Capital Fund ing Choice Vouchers
Dollar threshold used to distinguish betw	veen Type A and T	Type B programs: \$750,000
Auditee qualified as low-risk auditee?		_X_ Yes No
SECTION II - FINANCIAL STATEMENTS IN No matters were reported.	INDINGS	
SECTION III - FEDERAL AWARD FINDIN No matters were reported.	GS AND QUESTION	ED COSTS
SECTION IV – SUMMARY SCHEDULE OF	PRIOR AUDIT FIN	DINGS

City of Newton



Mayor

City of Newton, Massachusetts

Department of Planning and Development 1000 Commonwealth Avenue Newton, Massachusetts 02459 437-20 Telephone (617) 796-1120 Telefax (617) 796-1142 TDD/TTY (617) 796-1089 www.newtonma.gov

Barney S. Heath Director

Community Preservation Committee Funding Recommendation for Haywood House/Jackson Road Senior Affordable Housing Project Additional Funding

Date: October 21, 2020

From: Community Preservation Committee

To: The Honorable City Council

PROJECT GOALS & ELIGIBILITY This proposal for additional funding requests \$77,900 to pay for the purchase and installation of a material lift which was added to the project design as part of the Special Permit process. In December 2018, City Council approved the original allocation of \$3,000,000 to the Newton Housing Authority (NHA) for the Haywood House Senior Housing Project on Jackson Road. The new housing development will create 55 one-bedroom senior rental units in a new building to be constructed on vacant land adjacent to the existing Jackson Gardens Federal Public Housing development. All of the new units will be permanently affordable with 11 units available to households below 30% of Area Median Income (AMI), 21 units available below 60% AMI, and 23 units available below 99% AMI. Four of the units will be designated for households that have been homeless or are at risk of homelessness. This project is CPA-eligible as the creation of affordable housing.

RECOMMENDED FUNDING At a joint meeting with the Planning and Development Board held on Monday, October 5, the Community Preservation Committee unanimously recommended, with a vote of 8 to 0, the appropriation of \$77,900 in Community Preservation Act community housing funds to the control of the Planning & Development Department for the Newton Housing Authority's construction of the Haywood House Senior Affordable Housing Development.

SPECIAL ISSUES CONSIDERED BY THE CPC

Funding leverage & project costs: The CPC recognized that the additional funds requested represented .2% of the overall project cost of \$29,819,936 and did not change the overall percentage of CPA funding contributing to the project, which remains at 10%. This funding request is paired with a request for \$250,000 in additional CDBG funding to cover the addition of accessible ramps to replace the existing walkways leading from Kennedy Circle to Jackson Road. This additional funding was also approved by the Planning Board at the joint meeting on October 5. One of the requirements of the original funding recommendation was that the NHA had to confirm all of its state and federal funding sources. The CPC noted that multiple state and federal funding sources have been attained since 2018; the confirmation letters are included with the revised application. The CPC discussed how the design had been reviewed

<u>www.newtonma.gov/cpa</u>
Lara Kritzer, Community Preservation Program Manager
<u>lkritzer@newtonma.gov</u> 617.796.1144



CPC Funding Recommendation for the Haywood House Senior/Jackson Road Affordable Housing Additional Funding — October 2020

and value engineered to save costs before the NHA approached the City for funds. The CPC agreed that this was a good project for the community.

Community spaces & services: In their 2018 recommendation, the CPC noted that the new Haywood House will have multiple common spaces, including terraces and balconies, a library, and new laundry facilities, which will also serve residents of the existing Jackson Gardens development as well as the new residents of the building. In addition, Haywood House's new community center will host activities for non-residents as well as services for residents and the NHA has committed to using its developer fee from this project to expand its program of services for residents, including pre-dementia support.

Project design & permitting: During the Special Permit process, the NHA committed to limit vehicular access to the new building to Kennedy Circle, with no curb cuts to be installed on Jackson Road. Because of the change in grade of the site, a material lift is required to take trash receptacles from the ground floor of the building to the main floor/Jackson Circle level for trash removal. This lift was not included in the original design and the additional CPA funding is requested to cover the cost of the additional lift. As noted in the 2018 recommendation, Haywood House will have 52 visitable and adaptable units, including 2 adapted for residents with sensory disabilities, and 3 fully accessible units. The building will be curved to fit its site and energy-efficient (LEED silver certifiable). The additional CDBG funding approved in October by the Planning and Development Board will be used to reconstruct and improve the existing pedestrian path to make it ADA compliant and accessible. Existing large trees near the edges of the site will be preserved and new plantings added. In response to neighborhood concerns about parking, the NHA reduced the project's parking needs by eliminating its previously proposed market-rate units.

ADDITIONAL RECOMMENDATIONS (funding conditions)

- 1. The CPC assumes all recommended funds will be appropriated within 6 months, and project construction will begin within 3 years after the date of this recommendation. If either of these deadlines cannot be met, the Newton Housing Authority should submit a written request to the CPC to extend that deadline.
- 2. The release of CPA funds will be governed by a grant agreement that includes but is not limited to the usual conditions for the phased release of CPA funds for housing projects, including permanent affordability, a final report to the CPC, and the return of unspent funds. In addition, the grant agreement should require an independent "accessibility audit" to ensure as-built compliance with accessibility standards and spot inspection at the rough plumbing/electrical stage of construction.
- **3.** Any CPA funds appropriated but not used for the purposes stated herein should be returned to the Newton Community Preservation Fund.

KEY OUTCOMES

The Community Preservation Committee will evaluate this project based on its success in using CPA funds to create permanently affordable senior housing units with the supportive services and community activities described in the NHA's 2018 and 2020 proposals.

ATTACHMENTS

- 2020 Proposal and selected attachments submitted to the CPC for the October 5, 2020 review
- October 5, 2020 presentation to the CPC and Planning and Development Board

Additional information not attached to this recommendation, including petitions and letters of support, are available on the CPC's website at:

http://www.newtonma.gov/gov/planning/cpa/projects/housing authority.asp#Jackson-Sr

Haywood House Newton Housing Authority

Joint Planning and Development Board and Community Preservation Committee October 5, 2020

Amy Zarechian, Executive Director
Vince O'Donnell, NHA Commissioner
Hannah Cross, Development Project Coordinator



Haywood House

 Located on John F. Kennedy Circle adjacent to NHA Jackson Gardens federal public housing development





Haywood House

Main Entry facing John F. Kennedy Circle - Sidewalk Level



Haywood House Project Summary

- 55 one-bedroom units for elders over the age of 62.
 - 32 units <60% AMI
 - 11 units <30% AMI.
 - 23 units up to 99% AMI
- 3 units fully accessible for individuals with mobility impairments under Community Based Housing (CBH)
- 3 units designated for individuals currently or at risk of being homeless under state Facilities Consolidation Fund (FCF)
- All units adaptable and visitable



Haywood House Development Team

- Newton Housing Authority
 - Board of Commissioners
 Rick Kronish, Chairman
 Tom Turner, Vice-Chairman
 Vincent O'Donnell, Treasurer
 Judith Weber, Commissioner
 Mary Corrigan, Commissioner
 - Amy Zarechian, Executive Director

- <u>Development Consultant</u>: Housing Partners, Inc.
- Owner's Project Manager: Pinck & Co.
- Designer: BWA Architecture
- <u>Construction Manager at Risk</u>: Colantonio Corp.
- Zoning & Permitting Counsel: Schlesinger and Buchbinder, LLP
- Tax Credit Counsel: Klein Hornig LLP
- <u>Property Manager:</u> Maloney Properties, Inc.



Haywood House Sources of Funds

Total Sources

\$28,562,064

• 9% Federal and MA Low Income Housing Tax Credits Equity	\$11,855,000
Permanent Loan	\$8,600,000
Newton CPA Funds	\$3,000,000
Newton Inclusionary Zoning	\$625,000
Newton CDBG	\$625,000
DHCD Affordable Housing Trust Fund	\$750,000
State Housing Stabilization Fund	\$500,000
 State Facilities Consolidation Fund (FCF) 	\$750,000
State Community Based Housing (CBH)	\$750,000
State HOME	\$450,000
Deferred Developer Fee	\$657,064



Haywood House Uses of Funds

	Total	Per Unit
Acquisition	\$1	\$0
Construction	\$23,640,768	\$429,832
Soft Costs	\$3,652,822	\$66,415
Dev. Fees/overhead/req. rese (all fees available to NHA	• , ,	\$45,934
support resident service	s	
programming)		
Total Development Cost	\$29,819,936	\$542,181
Per Unit Residential Cost		\$505,833



Haywood House Construction Costs

	One-Stop (10/15/2019)	Current Budget
Site & parking	\$1,250,000	\$1,250,000
Buildings	\$19,507,721	\$20,456,442
Cost of Construction/Rehabilitation	\$21,216,296	\$22,515,018
Contingency	\$1,060,815	\$1,125,751
Subtotal Construction	\$22,277,111	\$23,640,768

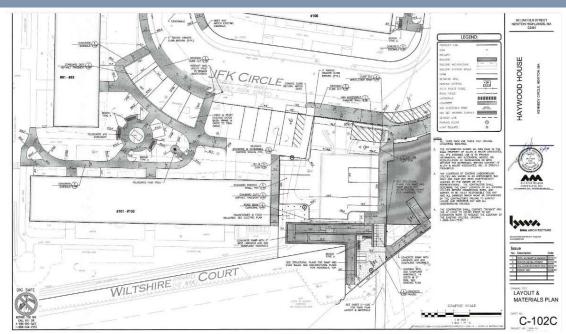


Existing Ramp at Jackson Gardens



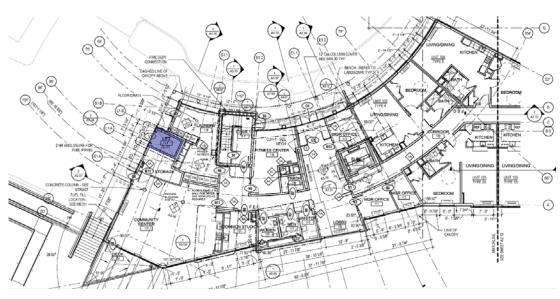


Proposed Ramp at Jackson Gardens





Material Lift Design





Current CPC and CDBG Requests

- CDBG Request
 - Replacement of accessible ramp: Concrete, metal handrails, excavation, support of excavation, trucking, disposal, preparation, and backfill
 - Total additional cost to project: \$250,000
- CPA Request
 - Material lift for trash removal: Installation, lighting, wiring, inspection and certificate
 - Total additional cost to project: \$77,900
- Total current request to City: \$327,900
 - Request is 1.10% of total development costs



Haywood House Timeline

February 2020 Received state funding commitment

December 2020 Initial closing

Winter 2020/2021 Construction start

Fall 2022 Full occupancy





#437-20

Community Preservation Committee
Presentation to Zoning and Planning Committee
November 9, 2020



development, between JFK Circle

and Jackson Road

Project Overview

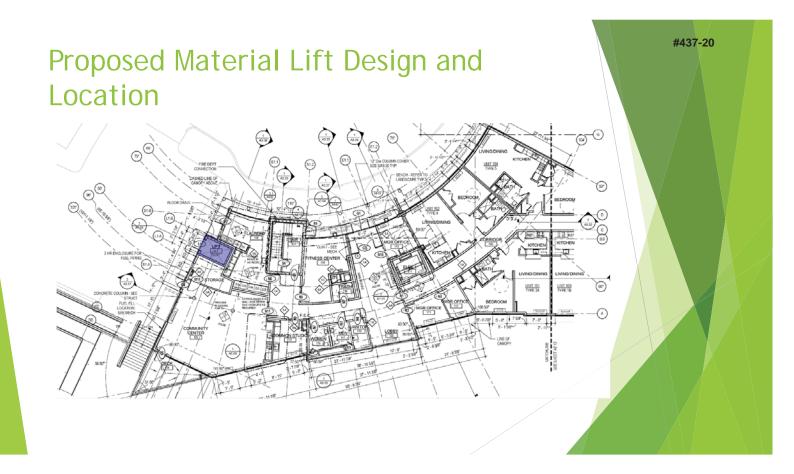
- Project will create 55 new affordable one-bedroom units for seniors and new community facilities
- ▶ All units will be affordable with:
 - ♦11 Units below 30% AMI
 - ◆21 units below 60% AMI
 - 23 units below 90% AMI
- ► Three units to be fully accessible with all other to be units adaptable and visitable
- ► Three units set aside for individuals currently or at risk of homelessness
- ► Allocated \$3,000,000 in CPA funding in FY2019

Current Funding Request

- ► Changes made to the design during the special permit approval process added new design elements to the project (Material Lift and Accessible Pedestrian Walkway)
- ► Construction estimates have increased since the project budget was initially created in 2018
- ► Current request is for \$77,900 in additional CPA funding to pay for material lift for trash removal (installation, lighting, wiring, inspections and certificate)
- ► NHA has also requested \$250,000 in additional CDBG funding for accessible ramp and walkway between JFK Circle and Jackson Road

#437-20

#437-20



Haywood House - Sources of Project	Funding	#437-20
9% Federal and MA Low Income Housing Tax Credits Equity	\$11,855,000	
Permanent Loan	\$8,600,000	
Newton CPA Funds	\$3,000,000	
Newton Inclusionary Zoning	\$625,000	
Newton CDBG	\$625,000	
DHCD Affordable Housing Trust Fund	\$750,000	
State Housing Stabilization Fund	\$500,000	
State Facilities Consolidation Fund (FCF)	\$750,000	
State Community Based Housing (CBH)	\$750,000	
State HOME	\$450,000	
Deferred Developer Fee	\$657,064	
Total Sources \$28,562,064		



Questions & Discussion

► Thank you!

Timeline





Office of Business, Finance and Planning 100 Walnut Street Newtonville, MA 02460 617-559-9025

TO: Finance Committee and School Committee

FROM: Liam Hurley, Assistant Superintendent/Chief Financial & Administrative Officer

DATE: November 6, 2020

RE: Responses to Finance Committee questions from October 26, 2020 Meeting

As a follow up to the Finance Committee meeting last Monday night, I wanted to provide answers to several questions that were raised. I have included a simple Q & A format. I believe these questions are relevant and critical as we work through the many challenges ahead of us.

As I mentioned to the Finance members, I will be happy to give another update after we present our first Fiscal and Operation Report at the November 16th School Committee meeting.

Question: Please provide an update on the financial position of NPS.

Answer: The Fiscal and Operations Report will be forthcoming and I will be happy to speak to this as well which will give us a snapshot of our financial picture and a projection on our fiscal health.

Question: What is the cost of the new MOA with the Newton Teachers Association?

Answer: The MOA has not been fully executed at this point and we are not at liberty to discuss the details. However, the estimated cost of the proposal is approximately \$192,000. This does not include any potential staff back-fill positions or any paid or unpaid positions that are due to COVID-19 and subject to FMLA and other pertinent leave laws outside of the MOA.

Question: What was the hourly rate for the Elementary Monitors that NPS was looking to hire to help open Elementary schools for a full day?



Answer: This position pays the same rate as a lunchroom monitor, which is \$14.79/hour.

Question: How many aide positions has NPS hired and how many Aide positions do we have unfilled at this point?

Answer: Our aide numbers are a moving target given staffing needs in areas like Special Education. We are almost completely staffed in some areas such as Kindergarten, but continue to be short in areas such as ISS (substitutes assigned to a building.) Our Special Education staffing is roughly similar to where it is in a typical year.

Question: Has NPS reached out to any of the Aides that were not renewed at the end of last year to ask for their return?

Answer: Yes, to the extent that we deemed them possibilities and provided they were available for in person work, we have invited 26 Unit C members back. Please note that a number were not renewed for performance reasons.

Question: If NPS cannot fill Aide positions why would you not raise the salary to attract new staff?

Answer: Salaries for Unit C Aide positions would need to be collectively bargained with the NTA. We cannot simply raise the rates to attract new aide members without bargaining this new rate which would have a major budgetary impact on all the aide positions and potentially all union positions. Our Unit C salaries are already highly competitive compared to our peer districts. Most every district in our region is struggling with staffing right now given the demands running schools in the midst of a pandemic.

Question: Is NPS thinking creatively about strategies to have in-person instruction in the spring, including outside options?

Answer: We have used the outdoor space for class meetings, snacks and mask breaks. It is also a place where students can read. While it is certainly possible to have meaningful conversations outside, it is not feasible to do a lot of instruction due to the need for instructional materials and of course, technology. We will continue to explore a range of ideas but our focus now is ensuring that we have inperson learning at all levels.



Business, Finance and Planning

TO: David Fleishman, Superintendent

FROM: Liam Hurley, Assistant Superintendent/Chief Financial & Administrative Officer

Sean Mannion, Director of Finance

Stephen Marshall, Director of Business Services

Alyssa Baringer, Budget Analyst

DATE: November 16, 2020

RE: FY21 Fiscal and Operational Update

This is the first FY21 update on the status of the fiscal and operational aspects of the school district. As of October 31, 2020, the district has spent \$68.8 million, or 28% of the annual budget of \$243,145,343. This is compared to 27% of the annual budget spent at this time last year. The financial forecast includes \$5.6 million in grant funding for COVID-19 expenses, made up of \$2 million in City CARES Act funding for HVAC projects and \$3.6 million in School COVID-19 grants. The projections for all areas of spending for the year, including COVID-19 funding, results in a positive balance of \$302,078. Please see Appendix A and B for a detailed projection by account type, and summaries for Student Services, Operations and Utilities. Below is a list of highlights from the current forecast:

- Salaries: Salaries are projected to end the year with a positive balance of \$692,000. September step and COLA increases have all been executed, as planned in the budget and collective bargaining agreements. The projections also include estimates for mid-year step and COLA increases, per the bargaining agreements. Hiring for the new school year matches the FY21 plan with a number of shifts between categories and a number of vacant positions which are still in the process of being filled or evaluated for need. A Staffing Reconciliation Report is being developed which will highlight current levels of staffing and staffing shifts for the 2020-21 school year. This report will be shared once it is completed. The positive balance in Salaries is mainly due to savings in Summer Aide Timesheet salaries (\$615,000) due to summer programs that did not run due to the COVID-19 pandemic.
- Benefits: Benefits are projected to end the year with a negative balance of \$76,000. Health insurance is projected to end the year with a positive balance of \$83,000. Health insurance enrollment is under the budgeted number of plans for the school year, including a contingency for additional plans to be added throughout the school year. A shift from individual to family plans results in an increase in cost that is countered by the lower than budgeted number of overall plans. Dental insurance is projected to end the year with a balance of \$101,000. This is due to the final dental rates being lower than budgeted. Unemployment costs are expected to be over budget by \$300,000 due to the COVID-19 pandemic. All other benefit lines are conservatively forecasted for the year.
- Utilities: Utilities are projected to end the year with a positive balance of \$196,000. This is primarily due to a positive balance of \$125,000 in electricity and \$99,000 in natural gas. The City negotiated new electricity supply rates with the district's electricity vendor with set rates beginning in November 2020, which accounts for \$12,000 of the projected savings. Additionally, usage is lower than projected at Newton North and Newton South high schools due to the buildings being less utilized as many students continue to study remotely. A number of solar projects were planned in the budget, some of which have been delayed due to COVID-19, but are still planned in the future. We will monitor utilities closely as the year progresses. Please see Appendix B for a detailed utilities projection by building.
- Maintenance: Maintenance spending is projected to end the year approximately \$2.0 million dollars over the budgeted amount, but will be supplemented by \$2.0 million in City CARES Act funding. The

\$2 million in CARES funding will be used for unanticipated one-time projects due to COVID-19, including a large number of HVAC projects to improve air ventilation in school buildings. In addition, the projection includes savings due to a reduction in summer maintenance projects of \$500,000, which offsets an increase due to capital project spending at Horace Mann and Oak Hill. The overall projection for all Operations accounts is negative by \$625,000, which includes the utilities savings of \$196,000 mentioned previously. Please see the Operations Summary in Appendix A.

- Contracted Services: Contracted services are projected conservatively and expected to end the year with a positive balance of \$521,000. This projection includes \$336,000 in savings due to the district deciding to not renew its contract with Kelly Services for outside temporary staffing services. The Contracted Services budget for Student Services is projected to be within plan, showing a surplus of \$172,000.
- Circuit Breaker: Preliminary FY21 Circuit Breaker funding was recently released by the State with total funding of \$4,807,755 for Newton. This is approximately \$1.6 million less than the FY21 budget assumption of \$6,389,538 due to four factors. First, the Student Opportunity Act (SOA) will not be implemented in FY21 which results in a loss of \$400,000 in new funding for special education transportation for Newton. Second, the Student Opportunity Act also included a provision which lowered the foundation level set by the State. By not implementing the SOA, the foundation level increases in FY21, resulting in a loss of funding of approximately \$500,000 for Newton. Third, the preliminary Circuit Breaker reimbursement rate is set at 70% versus the budgeted maximum of 75%, resulting in a loss of approximately \$300,000 for Newton. Lastly, the district's final claim submission was lower than projected by \$400,000 due to lower placement costs during the 2019-20 school year. This loss of \$1.6 million is partially covered by an additional \$1.3 million in Circuit Breaker carryforward from FY20. The FY21 budget was developed with a carryforward dependence of \$3.2 million, which includes a budget reduction from the City of \$1.5 million, and the final FY20 carryforward to FY21 was \$4.5 million, as reported in September 2020.
- Tuition: There were 122 out-of-district placements as of the end of October 2020, including agreements for unilateral placements. This is 9 fewer than the final number of placements from October 2019 of 131. The gross tuition projection for 2020-21 is \$12.2 million, with an additional contingency of \$250,000 for pending tuition placements. The overall projection for tuition results in a negative balance of \$219,000 due to the loss of Circuit Breaker funding mentioned above, offset by the additional carryforward and savings due to fewer placements as of October.
- Transportation: Transportation is projected to be within budget for the year, with a negative balance of \$370,000. This is due to the loss of fee revenue from bus passes to offset the district's transportation expenses. A projected savings of \$157,000 in Special Education transportation is due to much lower than projected transportation needs due to COVID-19.
- Supplies and Equipment: Spending for supplies and equipment are projected to be over budget by \$4.4 million dollars. This is almost exclusively due to needs related to COVID-19, including additional laptops, learning materials, and infrastructure needed for Distance Learning; PPE, and other medical supplies. A projected \$3.6 million dollars in School grant funding is projected to offset many of these needed expenses.
- Athletics and Pre-School: Every year, the district provides a subsidy to Newton North and Newton South high school athletic programs to cover a portion of their costs. Due to a reduction in the number and scope of athletic activities this year, the high school athletic programs have much lower than projected spending, which is expected to leave a balance in the general fund subsidy of \$526,000. The two preschool programs at Newton Early Childhood Program and Newton South High School typically collect fees to offset the costs of their programs, but will need to be subsidized this year due to lower than projected enrollment. These two programs are expected to end the year with a negative balance of almost \$233,000.
- Budget Reserve: A reserve for future liabilities, including maintenance costs, is held within the current projection at \$135,346.

- Food Service: Whitson's Culinary Group is working through its second contractual year as our food service provider. Whitson's has prepared and helped distribute over 215,000 meals to families in need through the Covid-19 pandemic. In September, Whitson's began serving students in our elementary schools and began serving meals in our middle schools today. USDA recently announced that all meals served through the FY21 school year will be reimbursed at the free rate of \$3.63 regardless of student eligibility. Revenues generated by governmental reimbursements are expected to offset at least 100% of the costs of the program, including the management fee for FY21.
- Fees & Revolving Accounts: The COVID-19 pandemic has significantly impacted fee revenue through the start of FY21. Revolving account fee revenue has historically helped offset district expenses. Table 2 shows revolving account fee revenue down \$2.2 million over prior year. This reduction in revenue is projected to negatively impact the general budget by \$1.6 million due to the loss of fee credits planned in the budget, as seen in Table 1. Many programs are operating at reduced capacity or in a virtual format. Our buildings are currently closed to all outside rentals limiting all use of school building revenue.
- Fee Recommendations: Due to COVID-19, we would like to recommend temporary changes in two of our fee programs for this year only. We recommend the Transportation fee be reduced from \$350 to \$100 for middle school students who are not eligible for a financial or a distance waiver. We also recommend that 4th and 5th grade instrumental music program fees be reduced from \$150 to \$50. Financial Assistance will still be readily available for families in need.

Table 1: FY21 General Fund Impact of Revolving Accounts

			FY21	FY21		
Revolving Accounts	FY19	FY20	Budget	Projected	Change fron	n Budget
	\$	\$	\$	\$	\$	%
Use of School Buildings	\$873,399	\$505,851	\$870,000	\$70,000	(\$800,000)	-86%
Bus Transportation	\$535,000	\$510,000	\$580,000	\$45,000	(\$535,000)	-91%
Early Morning Program	\$234,165	\$220,000	\$230,000	\$10,000	(\$220,000)	-95%
Middle School Athletics	\$196,983	\$84,000	\$180,000	\$0	(\$180,000)	-100%
Grade 4/5 Instrumental Music	\$169,000	\$137,000	\$145,000	\$28,800	(\$116,200)	-79%
Newton South Parking	\$31,000	\$44,600	\$45,000	\$14,000	(\$31,000)	-69%
High School Drama	\$27,000	\$11,000	\$25,000	\$0	(\$25,000)	-100%
Middle School Student Activity	\$30,000	\$30,000	\$24,000	\$0	(\$24,000)	-100%
All City Band Chorus	\$11,000	\$15,000	\$11,000	\$0	(\$11,000)	-100%
NECP	\$0	\$0	\$0	(\$109,692)	(\$109,692)	
South PreSchool	\$0	\$0	\$0	(\$122,984)	(\$122,984)	
High School Athletics	(\$1,248,078)	(\$821,539)	(\$1,125,870)	(\$600,000)	\$525,870	-27%
Total	\$859,469	\$735,912	\$984,130	(\$664,876)	(\$1,649,006)	-190%

Table 2: Fee Revenue by Fiscal Year

Fees	FY19	FY20	FY21 Projected	Change from PY				
	\$	\$		\$	%			
Fees Subject to the Supercap:								
High School Athletics	\$736,022	\$577,369	\$294,650	(\$282,719)	-49%			
Middle School Athletics	\$183,550	\$94,941	\$0	(\$94,941)	-100%			
Bus Transportation	\$539,850	\$522,260	\$45,000	(\$477,260)	-91%			
Grade 4/5 Instrumental Music	\$227,925	\$137,298	\$28,800	(\$108,498)	-79%			
Middle School Student Activity	\$31,890	\$26,350	\$0	(\$26,350)	-100%			
All City Band Chorus	\$13,425	\$12,000	\$0	(\$12,000)	-100%			
High School Drama	\$31,650	\$5,250	\$0	(\$5,250)	-100%			
Total Fees Subject to the Supercap	\$1,764,312	\$1,375,468	\$368,450	(\$1,007,018)	-73%			
Fees Not Subject to the Supercap:								
Use of School Buildings	\$1,022,694	\$678,731	\$70,000	(\$608,731)	-90%			
Early Morning Program	\$321,389	\$270,869	\$10,000	(\$260,869)	-96%			
NECP	\$557,792	\$446,557	\$173,790	(\$272,767)	-61%			
South PreSchool	\$469,984	\$403,336	(\$56,336)	-14%				
Space Camp	\$220,133 \$43,305 \$36,9			(\$6,355)	-15%			
Newton South Parking	\$26,075	\$49,805	\$0	(\$49,805)	-100%			
Total Fees Not Subject to the	\$2,618,067	\$1,892,603	\$637,740	(\$1,254,863)	-66%			
Total Fees	\$4,382,379	\$3,268,071	\$1,006,190	(\$2,261,881)	-69%			

• COVID-19 Expenditures and Relief: COVID-19 has presented numerous challenges leading to many unbudgeted expenses. Table 1 below lists COVID-19 related expenses incurred in FY21. There was also approximately \$500k of COVID-19 related expenses in FY20. HVAC expenses are expected to be covered by the City CARES Act funding. Additional expenses are expected throughout the school year as more students and staff return to buildings. Table 2 shows COVID-19 relief grants and projected uses of grant funds.

Table 1: FY2	1 Y	TD Summary	of C	ovid Expense	es	
		Actual	E	ncumbered		Total
Electrical Work	\$	519	\$	-	\$	519
Covid-19 Planning Stipends	\$	74,316	\$	=	\$	74,316
HVAC	\$	934,738	\$	12,190	\$	946,928
YMCA Extended Care	\$	1,980	\$	2,400	\$	4,380
Signage	\$	1,650	\$	=	\$	1,650
Instructional Supplies	\$	21,860	\$	23,368	\$	45,228
Building Maint	\$	-	\$	1,916	\$	1,916
Outdoor Tents	\$	219,620	\$	-	\$	219,620
PPE/Medical Supplies	\$	418,401	\$	426,348	\$	844,749
Instructional Technology	\$	1,641,680	\$	53,074	\$	1,694,753
Classroom/ Outdoor Furniture	\$	29,810	\$	3,714	\$	33,524
Total	\$	3,344,574	\$	523,009	\$	3,867,583

	Total Grant		
Grant Name	Amount	Expected Uses	Amount
Remote Learning Technology Esssentials Grant 117/118	\$97,086		
		FY21 Chromebook Matching	\$67,050
		FY20 Chromebook Matching	\$30,036
ESSER 113	\$745,725		
Expires 6/30/2021		Private School Allocation	\$61,800
		Remote Learning Technology	\$683,92
CvRF 102	\$2,886,525		
Expires 12/30/2020		Outdoor tents	\$219,62
		Outdoor furniutre for tents	\$33,524
		Covid-19 Planning Stipends	\$74,316
		PPE/Medical Supplies	\$844,74
		Remote Learning Technology,	\$1,694,7
		Facilities Improvements	\$19,564
Total Grants Awards	\$3,729,336	Toal NPS Grant Uses	\$3,667,53
		Total Private School	\$61,800
		Total Uses	\$3,729,33

Thank you to the many individuals and departments that contributed to this report. Their conscientious work is represented by the range of information presented and is truly appreciated.

cc: Susan Dzikowski, Comptroller Maureen Lemieux, Chief Financial Officer Jonathan Yeo, Chief Operating Officer Josh Morse, Commissioner of Public Buildings

FY21 School Expenses by Account

	SC Approved Budget (May 2020)	*Adjusted Budget	Period 4 Exp. a/o 10/31/20	YTD Encumb. + Exp.	Forecast Rest of Year	FY21 Final	Surplus (Deficit)
Salaries Summary							
SALARIES	\$173,295,740	\$173,245,740	\$14,836,402	\$33,939,672	\$138,614,300	\$172,553,971	\$691,769
BENEFITS	\$39,928,116	\$39,928,116	\$2,661,231	\$8,018,514	\$31,986,031	\$40,004,544	(\$76,428
SUSPENSE (salaries to			\$179	(\$6,130)	\$6,130		
be charged to grants)							
SUBTOTAL	\$213,223,856	\$213,173,856	\$17,497,813	\$41,952,056	\$170,606,460	\$212,558,516	\$615,341
Expenses Summary							
UTILITIES	\$4,880,604	\$4,880,604	\$354,601	\$644,020	\$4,040,712	\$4,684,732	\$195,872
MAINTENANCE	\$4,225,480	\$5,343,366	\$2,023,275	\$3,654,848	\$3,686,918	\$7,341,766	(\$1,998,401
CONTRACT SERVICES	\$1,949,212	\$1,884,717	\$122,527	\$260,834	\$1,102,856	\$1,363,690	\$521,027
TUITION	\$5,327,460	\$4,304,175	\$1,258,125	\$11,000,304	(\$6,476,776)	\$4,523,528	(\$219,353
TRANSPORTATION	\$8,276,885	\$8,276,885	\$366,854	\$6,106,656	\$2,541,037	\$8,647,692	(\$370,807
SUPPLIES	\$2,454,549	\$2,296,859	\$676,801	\$1,976,286	\$2,487,317	\$4,463,603	(\$2,166,744
EQUIPMENT	\$1,646,427	\$1,688,666	\$1,132,974	\$2,660,954	\$1,233,262	\$3,894,216	(\$2,205,550
ATHLETICS	\$1,125,870	\$1,125,870		\$550,000	\$50,000	\$600,000	\$525,870
PRESCHOOL					\$232,676	\$232,676	(\$232,676
SCHOOL LUNCH	\$35,000	\$35,000			\$35,000	\$35,000	·
BUDGET RESERVE		\$135,346			\$135,346	\$135,346	\$0
SUBTOTAL	\$29,921,487	\$29,971,487	\$5,935,157	\$26,853,901	\$9,068,348	\$35,922,249	(\$5,950,762
TOTAL FY21 Appropriation	\$243,145,343	\$243,145,343	\$23,432,970	\$68,805,957	\$179,674,808	\$248,480,765	(\$5,335,422
FY21 COVID-19 Associated Inco	ming Grant Funds						
CARES FUNDS FROM CITY	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
CVRF	\$ -	\$ 2,886,525	\$ -	\$ -	\$ -	\$ -	\$ 2,886,525
RLTE	\$ -	\$ 67,050	\$ -	\$ -	\$ -	\$ -	\$ 67,050
ESSER	\$ -	\$ 683,925	\$ -	\$ -	\$ -	\$ -	\$ 683,925
SUBTOTAL COVID-19 FUNDS	\$ -	\$ 5,637,500	\$ -	\$ -	\$ -	\$ -	\$ 5,637,500
Final FY21 Appropriation (including COVID-19 Funds)	\$243,145,343	\$248,782,843	\$23,432,970	\$68,805,957	\$179,674,808	\$248,480,765	\$302,078
	As of 10/31/20 P	ercent of Total Bu	udget Expende	d and Encumber	ed.	28%	1

FY21 Adjusted Budget:

*Note the FY21 report has two columns including the School Committee budget approved in May 2020, and an adjusted budget which includes budget transfers made throughout the year to reflect actual salary and benefits costs.

Account name	Account #	SC Approved Budget (May 2020)	*Adjusted Budget	Period 4 Exp. a/o 10/31/20	YTD Encumb. + Exp.	Forecast Rest of Year	FY21 Final	Surplus (Deficit)
Salaries:								
Teacher Salaries	510101	\$101,988,391	\$103,176,058	\$8,572,988	\$17,146,295	\$86,054,763	\$103,201,058	(\$25,000)
Coordinator Salaries	510103	\$2,505,575	\$2,538,400	\$210,889	\$532,209	\$2,006,191	\$2,538,400	
Music/Drama Salaries	510104	\$119,517	\$119,517	\$1,466	\$1,466	\$115,520	\$116,986	\$2,531
Psychologist Salaries	510105	\$3,102,670	\$2,933,836	\$249,326	\$492,254	\$2,441,582	\$2,933,836	
Guidance Counselor Salaries	510106	\$3,613,912	\$3,635,951	\$299,464	\$605,186	\$3,030,765	\$3,635,951	
Counselors Non-Guidance	510107	\$1,614,547	\$1,623,970	\$133,579	\$266,706	\$1,357,264	\$1,623,970	
School Legal Salaries	510109	\$132,804	\$145,000	\$12,083	\$48,333	\$96,667	\$145,000	
Principal Salaries	510110	\$3,309,743	\$3,307,241	\$281,010	\$1,104,573	\$2,202,668	\$3,307,241	
Asst Principal Salaries	510111	\$1,666,802	\$1,723,973	\$146,289	\$482,302	\$1,241,671	\$1,723,973	
Schl Dept Head Salaries	510112	\$1,768,040	\$1,718,394	\$143,780	\$375,405	\$1,342,989	\$1,718,394	
Admin Support Salaries	510114	\$2,874,137	\$2,863,432	\$240,975	\$907,288	\$1,956,143	\$2,863,431	\$1
Central Staff Salaries	510115	\$1,185,943	\$1,171,407	\$96,890	\$381,382	\$790,025	\$1,171,407	Ψï
Supervisory Salaries	510116	\$681,854	\$686,090		\$218,205	\$467,885	\$686,090	
•				\$56,418				
Specialist Salaries	510117	\$2,601,306	\$2,528,476	\$211,880	\$422,740	\$2,105,736	\$2,528,476	
Housemaster Salaries	510118	\$1,042,431	\$1,032,995	\$85,244	\$172,409	\$860,586	\$1,032,995	
Asst. Directors Salaries	510119	\$98,399	\$29,467	\$2,396	\$4,791	\$24,676	\$29,467	
Directors Salaries	510120	\$697,739	\$788,957	\$65,479	\$236,985	\$551,972	\$788,957	
Tech Support Assist.Salaries	510121	\$777,916	\$822,257	\$68,952	\$250,747	\$571,510	\$822,257	
Vice Principals Salaries	510123	\$284,344	\$275,001	\$22,798	\$71,480	\$203,521	\$275,001	
Medical Salaries	510133	\$1,136,477	\$1,169,397	\$95,889	\$191,779	\$977,618	\$1,169,397	
Summer Day Salaries	510136	\$70,176	\$70,176	\$338,408	\$368,727		\$368,727	(\$298,551)
Librarian Salaries	510138	\$1,751,745	\$1,700,793	\$138,744	\$277,488	\$1,423,305	\$1,700,793	
Social Worker Salaries	510140	\$1,909,142	\$1,820,096	\$152,767	\$300,774	\$1,519,322	\$1,820,096	
Secretarial Salaries	510221	\$4,681,762	\$4,598,187	\$393,591	\$1,407,737	\$3,250,450	\$4,658,187	(\$60,000)
Summer Aide-Timesheets	510311	\$817,245	\$817,245	******	\$201,395	+-,,·	\$201,395	\$615,850
Aide-Timesheets	510312	\$224,000	\$224,000	\$3,602	(\$1,976)	\$190,472	\$188,496	\$35,504
Aide Salaries-30 Hrs	510313	\$1,349,985	\$1,317,962	\$77,415	\$196,748	\$1,121,214	\$1,317,962	ψου,σο-ι
Aide Salaries-32 Hrs	510314		\$88,769	\$57,306	\$178,385		\$88,769	
		\$1,479,713				(\$89,616)		
Aide Salaries-35 Hrs	510315	\$2,657,394	\$947,371	\$185,901	\$448,574	\$498,797	\$947,371	0440.004
Aide Salaries-40 Hrs	510316	\$347,765	\$5,398,746	\$545,284	\$580,943	\$4,701,409	\$5,282,352	\$116,394
Aide Specialist-35 Hrs	510317	\$5,988,169	\$1,053,990	\$231,754	\$766,961	\$287,029	\$1,053,990	
Aide Specialist-40 Hrs	510318	\$3,007,930	\$7,364,650	\$640,534	\$875,359	\$6,489,291	\$7,364,650	
Aide Salaries-30.83 Hrs	510319	\$2,870,938	\$723,575	\$147,157	\$426,480	\$297,095	\$723,575	
ISS Salaries	510320	\$1,000,636	\$1,000,636	\$42,471	\$78,171	\$840,000	\$918,171	\$82,465
Aide Salaries- 33.85 Hrs	510321	\$1,413,911	\$1,239,131	\$79,060	\$205,589	\$1,033,542	\$1,239,131	
Custodial/Maint Salaries	510331	\$5,014,219	\$5,014,219	\$370,979	\$1,519,894	\$3,371,531	\$4,891,425	\$122,794
Non-Aligned Salaries	510340	\$751,081	\$868,993	\$66,619	\$282,420	\$586,573	\$868,993	
Timesheet Salaries	510342	\$45,000	\$45,000	\$2,630	\$110,766	(\$61,175)	\$49,591	(\$4,591)
Lunchroom Attendants - Elem	510345	\$129,600	\$129,600	\$3,333	\$3,333	\$124,900	\$128,233	\$1,367
Part Time < 20 Hrs/Wk	511101			\$1,192	\$1,192		\$1,192	(\$1,192)
Elected Offcl W/Benefits	511103	\$62,000	\$62,000	\$5,167	\$20,667	\$41,334	\$62,001	(\$1)
Work Study Wages	512003	\$49,140	\$49,140	\$2,464	\$4,516	\$21,000	\$25,516	\$23,625
Coaches & Officials Wages	512004	\$131,236	\$131,236	42, 10 .	ψ1,010	\$60.000	\$60,000	\$71,236
Substitute Clerical Wages	512005	\$84,000	\$84,000	\$12,344	\$20,979	\$80,000	\$100,979	(\$16,979)
	512006							(ψ10,979)
Substitute Teachers		\$1,420,000	\$1,420,000 \$40,638	\$98,951	\$157,412	\$1,262,588	\$1,420,000	6 0
School Tutors	512007	\$40,628	\$40,628	#20.240	\$633	\$39,995	\$40,628 \$473,407	\$0 \$00.503
Interns	512008	\$263,000	\$263,000	\$28,340	\$60,760	\$112,736 \$10,000	\$173,497	\$89,503
Music Accompanists	512009	\$52,877	\$52,877	\$25	\$25	\$10,000	\$10,025	\$42,852
School Chaperones	512010	\$10,984	\$10,984					\$10,984
Regular Overtime	513010	\$245,000	\$245,000	\$65,300	\$178,875	\$573,263	\$752,138	(\$507,138)
Work By Other Depts.	513040	\$95,413	\$95,413	\$3,631	\$5,468	\$80,714	\$86,182	\$9,231
Work By Public Buildings	51304B	\$109,483	\$109,483		\$73,532	\$35,951	\$109,483	\$0
Longevity	514001	\$988,186	\$988,186	\$14,162	\$80,446	\$893,731	\$974,177	\$14,009
Education Incentive Pay	514003	\$625,000	\$625,000			\$150,000	\$150,000	\$475,000
Shift Differential	514004	\$266,563	\$266,563	\$19,294	\$77,133	\$168,000	\$245,133	\$21,430
Firing License	514305	\$6,600	\$6,600	\$462	\$1,946	\$4,025	\$5,971	\$629
Other Stipends	514309	\$672,320	\$622,320	\$103,051	\$189,693	\$463,131	\$652,825	(\$30,505)
School Extra Assignments	514310	\$491,437	\$491,437	\$3,188	\$16,871	\$403,169	\$420,040	\$71,397
Summer Other Stipends	514319	\$672,750	\$672,750	\$2,860	\$762,756	\$40,000	\$802,756	(\$130,006)
Other Compensation	515000	\$2,500	\$2,500	. =, = = =	. ==,	\$2,500	\$2,500	(+ : - : , - 00)
Retirement Incentive	515001	\$55,000	\$55,000		\$3,500	\$51,500	\$55,000	
Sick Leave Buy Back	515001	\$97,000	\$97,000		\$22,500	\$79,500 \$79,500	\$102,000	(\$5,000)
•	515004							(\$5,000) (\$13,840)
Vacation Buy Back		\$36,000	\$36,000	#604	\$19,849	\$30,000	\$49,849	(\$13,849)
Incentive-Sick Leave	515010	\$35,000	\$35,000	\$621	\$53,867	#C COC	\$53,867	(\$18,867)
Clothing Allowance	515101	\$49,500	\$49,500		\$46,750	\$6,600	\$53,350	(\$3,850)
Non-Elective 403B Contrib.	515204	\$21,165	\$21,165	\$44 000 400	£22 000 070	\$20,670	\$20,670	\$495
SUBTOTAL SALARIES		\$173,295,740	\$173,245,740	\$14,836,402	\$33,939,672	\$138,614,300	\$172,553,971	\$691,769

FY21 School Expenses by Account

Account name	Account #	SC Approved Budget (May 2020)	*Adjusted Budget	Period 4 Exp. a/o 10/31/20	YTD Encumb. + Exp.	Forecast Rest of Year	FY21 Final	Surplus (Deficit)
Suspense - To be transferred: Schl Fund 01 Suspense Refund Payroll Deduc Susp.	51000A 51000N			\$179	(\$6,130)	\$6,130		
SUBTOTAL SUSPENSE, ET				\$179	(\$6,130)	\$6,130		
Benefits:				•	· · · · · ·	• •		
Unemployment Benefits	570200	\$200,000	\$200,000			\$500,000	\$500,000	(\$300,000)
Vehicle Use Reimbursement	571000	\$103,040	\$103,040	\$7,236	\$24,641	\$78,399	\$103,040	(+,)
Claims/Settlements	572500	\$75,000	\$75,000		\$299	\$35,000	\$35,299	\$39,701
Workers Comp Insurance	575007	\$400,000	\$400,000		\$400,000		\$400,000	
Dental Insurance	57DENT	\$672,786	\$672,786	\$49,122	\$108,759	\$463,463	\$572,222	\$100,564
Disability Insurance	57DISA 57HLTH	\$13,848	\$13,848	#0 407 470	₾ 0 575 000	\$13,848	\$13,848	#00.007
Health Insurance Basic Life Insurance	57HLTH 57LIFE	\$32,020,504 \$50,000	\$32,020,504 \$50,000	\$2,197,176 \$1,974	\$6,575,223 \$4,737	\$25,361,974 \$45,263	\$31,937,197 \$50,000	\$83,307
Medicare Payroll Tax	57MEDA	\$2,496,944	\$2,496,944	\$202,151	\$451,425	\$2,045,519	\$2,496,944	
Medicare Part B Reimb	57MEDB	\$1,346,576	\$1,346,576	(\$3,702)	\$834	\$1,345,742	\$1,346,576	
Other Post Employment Benef	57OPEB	\$2,549,418	\$2,549,418	\$207,274	\$452,596	\$2,096,822	\$2,549,418	
SUBTOTAL BENEFITS		\$39,928,116	\$39,928,116	\$2,661,231	\$8,018,514	\$31,986,031	\$40,004,544	(\$76,428)
t terrer								
<u>Utilities:</u> Electricity	521000	\$2,987,535	\$2,987,535	\$326,552	\$534,155	\$2,328,711	\$2,862,866	\$124,669
Natural Gas	521100	\$1,524,149	\$1,524,149	\$10,924	\$13,877	\$1,411,079	\$1,424,956	\$99,193
Heating Oil	541200	\$101,920	\$101,920	ψ10,024	ψ10,077	\$101,920	\$101,920	ψου, 100
Telephone	534010	\$154,000	\$154,000	\$9,600	\$27,531	\$126,468	\$154,000	\$0
Cellular Telephones	534020	\$54,000	\$54,000	\$3,765	\$19,786	\$62,800	\$82,586	(\$28,586)
Internet Access Charges	534040	\$47,000	\$47,000	\$2,910	\$46,404		\$46,404	\$596
Gasoline	548000	\$7,250	\$7,250	\$849	\$2,266	\$4,984	\$7,250	(\$0)
Diesel Fuel	548100	\$4,750	\$4,750	***************************************	****	\$4,750	\$4,750	A105.000
SUBTOTAL UTILITIES		\$4,880,604	\$4,880,604	\$354,601	\$644,020	\$4,040,712	\$4,684,732	\$195,872
Maintenance:								
Rental - Vehicles	527300	\$4,000	\$4,000			\$4,000	\$4,000	
Rental - Equipment	527400	\$29,710	\$29,710	\$2,000	\$2,000	\$27,710	\$29,710	
Motor Vehicle Inspections	530300	\$250	\$250			\$250	\$250	
Building Maint Supplies	543000	\$222,644	\$222,644	\$42,238	\$104,422	\$122,887	\$227,309	(\$4,665)
Cleaning/Custodial Supplies	545000	\$185,033	\$185,033	\$4,933	\$19,434	\$165,599	\$185,033	(\$0)
Auto Repair Parts	548400 559700	¢20.700	¢20.700	\$25	\$25	¢20.204	\$25	(\$25)
Chemicals Office Equipment R&M	524010	\$30,700 \$137,635	\$30,700 \$137,635	\$9,800 \$45,660	\$10,309 \$99,670	\$20,391 \$132,075	\$30,700 \$231,744	(\$0) (\$94,109)
Motor Vehicle R&M	524030	\$1,500	\$1,500	φ45,000	ψ99,070	\$1,500	\$1,500	(ψ94, 109)
Computer Equipment R&M	524050	\$199,000	\$199,000	\$45,840	\$56,064	\$142,536	\$198,600	\$400
Communications Equip R&M	524060	\$2,500	\$2,500	. ,		\$2,500	\$2,500	
Public Building R&M	524070	\$2,931,922	\$4,049,808	\$1,718,550	\$3,051,259	\$2,898,549	\$5,949,808	(\$1,900,000)
Departmental Equip R&M	524080	\$23,000	\$23,000	\$10,916	\$12,716	\$10,284	\$23,000	
Software Maintenance	524100	\$403,586	\$403,586	\$136,040	\$282,481	\$121,105	\$403,586	
Instructional Equipment R & M SUBTOTAL MAINTENANCE	524140	\$54,000 \$4,225,480	\$54,000 \$5,242,366	\$7,275 \$2,023,275	\$16,468 \$3,654,848	\$37,532	\$54,000 \$7,244,766	(\$1,998,401)
SUBTUTAL MAINTENANCE	_	\$4,225,460	\$5,343,366	\$2,023,275	\$3,034,040	\$3,686,918	\$7,341,766	(\$1,990,401)
Contract Services + Travel:								
Document Shredding	524500	\$3,000	\$3,000		\$1,976	\$1,024	\$3,000	(\$0)
Consultants	530100	\$1,220,593	\$1,253,598	\$84,778	\$177,371	\$861,179	\$1,038,551	\$215,047
Auditing Services	530201	\$18,600	\$18,600			\$18,600	\$18,600	
Tutoring Services	530210	\$20,000	\$20,000		\$484	\$19,516	\$20,000	\$0
Document Preservation	530400	\$3,365 \$4,500	\$3,365			\$3,107	\$3,107	\$258
Photographic Services Legal Services	530600 530900	\$1,500 \$25,000	\$1,500 \$25,000	\$275	\$10,275	\$1,450 \$14,725	\$1,450 \$25,000	\$50
Temporary Staffing Services	531300	\$456,000 \$456,000	\$361,400	Ψ210	ψ10,210	\$25,000	\$25,000	\$336,400
Training Expenses	531900	\$21,500	\$21,500	\$19,874	\$43,335	\$14,000	\$57,335	(\$35,835)
Fee Instructors	535000	\$23,779	\$23,779		,	\$22,500	\$22,500	\$1,279
Fee Umpires/Officials	535100	\$22,000	\$22,000		\$124	\$20,000	\$20,124	\$1,876
In-State Conferences	571100	\$102,075	\$102,075	\$17,600	\$20,220	\$74,955	\$95,175	\$6,900
Out-Of-State Travel	572000	\$29,700	\$26,800			\$26,800	\$26,800	
Insurance	575000	00.400	\$0.100		\$4,948		\$4,948	(\$4,948)
Employee Honesty Bonds SUBTOTAL CONTRACT SV	575005	\$2,100	\$2,100	\$122 527	\$2,100	¢1 102 050	\$2,100	\$524 027
SUBTUTAL CONTRACT SV	v-5.	\$1,949,212	\$1,884,717	\$122,527	\$260,834	\$1,102,856	\$1,363,690	\$521,027

Account name	Account #	SC Approved Budget (May 2020)	*Adjusted Budget	Period 4 Exp. a/o 10/31/20	YTD Encumb. + Exp.	Forecast Rest of Year	FY21 Final	Surplus (Deficit)
<u>Tuition:</u>								
Tuition Assistance	532100	\$171,500	\$171,500		(\$3,343)	\$171,500	\$168,157	\$3,343
In-District Tuitions	532201	\$105,475	\$105,475			\$105,475	\$105,475	
Out-Of-District Tuitions	532202	\$5,027,157	\$4,003,872	\$1,258,125	\$10,986,197	(\$6,753,751)	\$4,232,446	(\$228,575)
Summer Tuitions	532203	\$17,328	\$17,328		\$17,450		\$17,450	(\$122)
Employee Trans Incentive	538300	\$6,000	\$6,000					\$6,000
SUBTOTAL TUITION		\$5,327,460	\$4,304,175	\$1,258,125	\$11,000,304	(\$6,476,776)	\$4,523,528	(\$219,353)
Transportation:								
Pupil Transportation	538301	\$2,684,300	\$2,684,300	\$326,430	\$2,000,000	\$1,219,300	\$3,219,300	(\$535,000)
Field Trip Transportation	538302	\$82,285	\$82,285			\$75,120	\$75,120	\$7,165
Private School Transportation	538303	\$310,500	\$310,500	\$31,050		\$310,500	\$310,500	
Special Ed. Transportation	538304	\$5,199,800	\$5,199,800	\$9,374	\$4,106,656	\$936,117	\$5,042,772	\$157,028
SUBTOTAL TRANSPORTA	TION	\$8,276,885	\$8,276,885	\$366,854	\$6,106,656	\$2,541,037	\$8,647,692	(\$370,807)
Supplies, etc.								
Postage	534100	\$74,348	\$74,348	\$669	\$7,309	\$61,513	\$68,821	\$5,527
Printing	534200	\$55,573	\$56,532	\$3,690	\$4,734	\$64,586	\$69,320	(\$12,788)
Advertising/Publications	534300	\$25,200	\$25,200	ψ0,000	\$7,785	\$17,215	\$25,000	\$200
•	542000	\$25,200 \$109,986	\$25,200 \$115,618	\$20.802	\$7,785 \$30,137		\$25,000 \$109,179	\$200 \$6,440
Office Supplies	542000			\$20,892		\$79,042		
Instructional Supplies	542200 543400	\$1,314,724	\$1,134,819	\$340,969	\$614,321	\$632,998	\$1,247,319	(\$112,500)
Communications Supplies		\$4,000	\$4,000	#044.000	¢4.074.700	\$4,000	\$4,000	(#0.000.000)
Medical Supplies	550000	\$35,000	\$35,000	\$211,023	\$1,071,790	\$1,045,596	\$2,117,386	(\$2,082,386)
Printing Supplies	550100	\$53,500	\$53,500	\$13,507	\$9,393	\$44,107	\$53,500	
Paper Goods & Supplies	552300	\$100,000	\$100,000	\$2,367		\$100,000	\$100,000	
Public Safety Supplies	558000	\$4,490	\$4,490	\$150	\$2,964	\$1,526	\$4,490	\$0
Library Supplies	558300	\$59,561	\$49,695	\$2,484	\$21,492	\$28,203	\$49,695	
Computer Supplies	558500	\$49,945	\$49,945	\$4,459	\$11,735	\$40,129	\$51,864	(\$1,919)
Books/Manuals/Periodicals	559200	\$35,836	\$47,026	\$3,639	\$4,151	\$44,835	\$48,986	(\$1,960)
Textbooks	559201	\$257,042	\$270,742	\$53,600	\$107,325	\$163,417	\$270,742	
Replacement Textbooks	559202	\$10,000	\$10,000	\$1,306	\$1,306	\$8,694	\$10,000	
Awards & Trophies	559300	\$2,000	\$2,000		\$1,000	\$1,000	\$2,000	
Refreshments/Meals	571200	\$20,287	\$20,287	\$20	\$20	\$13,971	\$13,992	\$6,295
Special Event Expenses	571600	\$7,850	\$7,850	,	, -	\$6,498	\$6,498	\$1,352
Scholarships/Awards	571800	\$4,800	\$4,800		\$2,400	\$2,400	\$4,800	¥ ·,••=
Moving Expenses	572700	\$64,435	\$64,435		\$25,000	\$39,000	\$64,000	\$435
Dues & Subscriptions	573000	\$165,972	\$166,572	\$18,026	\$53,425	\$88,587	\$142,012	\$24,561
SUBTOTAL SUPPLIES	373000	\$2,454,549	\$2,296,859	\$676,801	\$1,976,286	\$2,487,317	\$4,463,603	(\$2,166,744)
COBTOTAL COTT LILE		ΨΣ,+0+,0+3	Ψ2,230,003	ψ070,001	ψ1,370,200	Ψ2,407,017	ψ+,+05,005	(ψΣ, 100, 1 ++)
Equipment:								
Printing Equipment	585100	\$600	\$600			\$600	\$600	
Pc Hardware-Admin	585111	\$178,459	\$178,459	\$46,649	\$49,202	\$117,024	\$166,226	\$12,233
Pc Hardware-Instructional	585112	\$768,900	\$768,900	\$848,305	\$2,153,935	\$684,223	\$2,838,158	
Pc Software-Admin	585121		\$101,450					(\$2,069,258)
	585122	\$51,450		\$39,477	\$62,588	\$39,879	\$102,467	(\$1,017)
Pc Software-Instructional	585130	\$204,844	\$203,794	\$126,697	\$298,251	\$64,949	\$363,200	(\$159,406)
Audio-Visual Equipment		\$9,602	\$2,891	A7 004	040 500	A70.004	007.004	\$2,891
Office Equipment	585140	\$98,025	\$98,025	\$7,034	\$18,580	\$79,381	\$97,961	\$64
Minor Office Equipment	585141	\$3,000	\$3,000	* 0.00=	40.005	\$2,500	\$2,500	\$500
Office Furniture	585150	\$46,100	\$46,100	\$3,225	\$6,025	\$38,075	\$44,100	\$2,000
Classroom Furniture	585160	\$73,282	\$73,282	\$12,682	\$17,801	\$55,481	\$73,282	
Housekeeping Equipment	585171	\$75,000	\$75,000	\$6,338		\$75,000	\$75,000	
Instructional Equipment	585210	\$137,165	\$137,165	\$42,567	\$54,572	\$76,150	\$130,722	\$6,443
SUBTOTAL EQUIPMENT		\$1,646,427	\$1,688,666	\$1,132,974	\$2,660,954	\$1,233,262	\$3,894,216	(\$2,205,550)
HS Pre-School Programs								
Trnsfr from NNHS Pre-School	594200					\$109,692	\$109,692	(\$109,692)
Trnsfr from NSHS Pre-School	594205					\$122,984	\$122,984	(\$122,984)
SUBTOTAL PRE-SCHOOL						\$232,676	\$232,676	(\$232,676)
	·							
Athletic Revolving Account:								
Transf-Schl Revl Fund NNHS	594020	\$562,935	\$562,935		\$275,000	\$25,000	\$300,000	\$262,935
Transf-Schl Revl Fund NSHS	594025	\$562,935	\$562,935		\$275,000	\$25,000	\$300,000	\$262,935
SUBTOTAL ATHLETIC		\$1,125,870	\$1,125,870		\$550,000	\$50,000	\$600,000	\$525,870
		· · · · · · · · · · · · · · · · · · ·	· · · ·		·	·	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·
Budget Reserve								
Budget Reserve	579000		\$135,346			\$135,346	\$135,346	\$0
SUBTOTAL FY19 RESERVI			\$135,346			\$135,346	\$135,346	\$0
			,,e-=					• •
School Lunch Fund								
Transf-School Lunch Fund	594600	\$35,000	\$35,000			\$35,000	\$35,000	
SUBTOTAL SCHOOL LUNG		\$35,000	\$35,000			\$35,000	\$35,000	
202.020011002 E0110	0.10		,					
Subtotal		\$243,145,343	\$243,145,343	\$23,432,970	\$68,805,957	\$179,674,808	\$248,480,765	(\$5,335,422)
								(\$5,335,422)
Grand Total		\$243,145,343	\$243,145,343	\$23,432,970	\$68,805,957	\$179,674,808	\$248,480,765	
FY21 Total Appropriation								(\$5,335,422)

Student Services Expenses by Account

	SC Approved Budget (May)	FY21 Adjusted Budget	Period 4 Exp. a/o 10/31/20	YTD Encumb. + Exp.	Forecast Rest of Year	FY21 Final	FY21 Balance
Student Services Staff (including Guidance)	\$41,549,013	\$41,557,335	\$3,543,647	\$8,258,429	\$33,593,577	\$41,852,007	-\$294,672
Aide Salaries	\$15,836,219	\$14,772,700	\$1,534,041	\$3,038,611	\$10,923,607	\$13,962,218	\$810,482
SUBTOTAL SALARIES	\$57,385,232	\$56,330,035	\$5,077,688	\$11,297,041	\$44,517,184	\$55,814,225	\$515,810
SUBTOTAL BENEFITS	\$10,549,967	\$10,549,967	\$938,175	\$1,922,580	\$8,602,374	\$10,524,954	\$25,013
Contracted Services (including Tutoring)	\$916,067	\$916,067	\$36,411	\$72,370	\$672,068	\$744,438	\$171,629
Tuition (Out-of-District and Summer)	\$5,044,485	\$4,021,200	\$1,258,125	\$11,003,647	-\$6,753,751	\$4,249,897	-\$228,697
Transportation	\$5,199,800	\$5,199,800	\$9,374	\$4,106,656	\$936,117	\$5,042,772	\$157,028
All Other Expenses	\$288,617	\$285,479	\$107,397	\$139,137	\$142,980	\$282,117	\$3,362
SUBTOTAL EXPENSES	\$11,448,969	\$10,422,546	\$1,411,308	\$15,321,809	-\$5,002,586	\$10,319,223	\$103,322
Total All Student Services	\$79,384,168	\$77,302,548	\$7,427,171	\$28,541,429	\$48,116,972	\$76,658,402	\$644,146

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Operations Expenses by Account Appendix A

	FY21 Adjusted Budget	Period 4 Exp. a/o 10/31/20	YTD Encumb. + Exp.	Forecast Rest of Year	FY21 Final	FY21 Balance
Operations Salaries without Custodial	\$495,853	\$40,760	\$162,839	\$363,014	\$525,853	-\$30,000
Custodial Salaries and Overtime	\$5,725,076	\$462,392	\$1,925,645	\$4,189,156	\$6,114,801	-\$389,725
Work By Other Departments*	\$178,483	\$3,112	\$78,481	\$90,002	\$168,483	\$10,000
Work Study Wages	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL SALARIES	\$6,399,412	\$506,263	\$2,166,965	\$4,642,172	\$6,809,137	-\$409,725
SUBTOTAL BENEFITS	\$1,309,960	\$97,597	\$408,420	\$885,528	\$1,293,948	\$16,012
Utilities (not including Internet Access)	\$4,833,604	\$351,691	\$597,616	\$4,040,712	\$4,638,328	\$195,276
Maintenance	\$3,364,602	\$817,793	\$2,259,259	\$1,531,937	\$3,791,196	-\$426,594
Cleaning/Custodial Supplies	\$185,033	\$4,933	\$19,434	\$165,599	\$185,033	\$0
Equipment	\$97,870	\$6,637	\$8,317	\$89,553	\$97,870	\$0
All Other Expenses	\$167,615	\$34,998	\$49,623	\$117,993	\$167,616	-\$1
SUBTOTAL EXPENSES	\$8,648,724	\$1,216,051	\$2,934,248	\$5,945,795	\$8,880,043	-\$231,320
Total All Operations (with Utilities)	\$16,358,096	\$1,819,912	\$5,509,634	\$11,473,494	\$16,983,128	-\$625,033
Utilities	\$4,833,604	\$351,691	\$597,616	\$4,040,712	\$4,638,328	\$195,276
Total Operations (without Utilities)	\$11,524,492	\$1,468,221	\$4,912,018	\$7,432,782	\$12,344,800	-\$820,309

FY20 Electricity, Natural Gas and Heating Oil Cost Summary

	FY18 Actual	tual	FY19 Actual	tual	F Y 20 Act	ctual		<u></u>	FY21 Budget				L 121	: Projected		
Sq. Ft.		Cost/Sq.		Cost/Sq.		Cost/Sq.					Cost/Sq.					Cost/Sq.
	Total	ť	Total	ť	Total	Ę	Electric	Gas	ΪŌ	Total	ť	Electric	Gas	ō	Total	Ŧ,
76,500	0 \$130,564	\$1.74	\$126,286	\$1.65	\$125,909	\$1.65	\$108,595	\$24,473	\$0	\$133,068	\$1.74	\$117,052	\$28,374	\$	\$145,426	\$1.90
51,065	5 \$99,350	\$1.95	\$105,870	\$2.07	\$92,868	\$1.82	\$57,566	\$2,427	\$47,040	\$107,033	\$2.10	\$51,427	\$2,373	\$47,040	\$100,840	\$1.97
69,535		\$1.34	\$90,893	\$1.31	\$70,927	\$1.02	\$31,795	\$46,238	\$0	\$78,033	\$1.12	\$32,817	\$55,786	\$0	\$88,603	\$1.27
55,399	9 \$52,615	\$0.95	\$56,383	\$1.02	\$46,622	\$0.84	\$32,760	\$20,274	\$0	\$53,034	\$0.96	\$30,803	\$20,402	\$	\$51,205	\$0.92
43,584	4 \$2,867	\$0.07	\$0	n/a	\$119,651	\$2.75	\$103,830	\$61,656	\$0	\$165,486	\$3.80	\$93,087	\$26,240	\$	\$119,327	n/a
49,612	÷	\$2.14	\$123,977	\$2.50	\$120,270	\$2.42	\$74,162	\$49,160	\$0	\$123,322	\$2.49	\$64,939	\$43,614	\$0	\$108,554	\$2.19
62,746	6 \$121,692	\$2.14	\$115,710	\$1.84	\$54,761	\$0.87	\$42,033	\$62,036	\$0	\$104,069	\$1.66	\$40,330	\$44,092	\$	\$84,422	\$1.35
53,532	2 \$71,320	\$1.39	\$87,056	\$1.63	\$112,404	\$2.10	\$109,704	\$17,067	\$0	\$126,771	\$2.37	\$73,246	\$36,308	\$	\$109,555	\$2.05
51,074	4 \$123,130	\$2.41	\$115,206	\$2.26	\$76,409	\$1.50	\$55,014	\$66,426	\$0	\$121,440	\$2.38	\$45,812	\$59,264	\$0	\$105,076	\$2.06
43,000	0 \$79,610	\$1.88	\$84,128	\$1.96	\$114,684	\$2.67	\$37,948	\$27,823	\$0	\$65,771	\$1.53	\$41,525	\$35,722	\$0	\$77,246	\$1.80
Memorial-Spaulding 68,775	5 \$127,792	\$1.86	\$134,359	\$1.95	\$64,260	\$0.93	\$50,375	\$70,609	\$0	\$120,984	\$1.76	\$58,555	\$71,047	\$	\$129,601	\$1.88
36,050	0 \$79,017	\$2.19	\$106,501	\$2.95	\$132,500	\$3.68	\$25,838	\$2,892	\$54,880	\$83,610	\$2.32	\$24,816	\$7,795	\$54,880	\$87,491	\$2.43
43,300	0 \$100,715	\$2.33	\$94,311	\$2.18	\$74,763	\$1.73	\$27,163	\$64,000	\$0	\$91,163	\$2.11	\$23,825	\$62,917	\$0	\$86,742	\$2.00
38,000		\$2.14	\$88,797	\$2.34	\$61,504	\$1.62	\$28,294	\$51,639	\$0	\$79,933	\$2.10	\$24,951	\$55,730	\$0	\$80,681	\$2.12
41,700	0 \$95,025	\$2.28	\$90,736	\$2.18	\$45,502	\$1.09	\$23,442	\$48,504	\$0	\$71,946	\$1.73	\$29,849	\$50,598	\$0	\$80,447	\$1.93
78,800	0 \$122,745	\$1.52	\$147,976	\$1.88	\$138,769	\$1.76	\$107,850	\$22,989	\$0	\$130,839	\$1.66	\$68,765	\$18,775	\$0	\$87,540	\$1.11
92,500		\$1.60	\$131,053	\$1.42	\$200,244	\$2.16	\$92,099	\$50,845	\$0	\$142,944	\$1.55	\$67,299	\$46,463	\$	\$113,763	\$1.23
153,020	0 \$256,257	\$1.76	\$279,239	\$1.82	\$166,379	\$1.09	\$251,216	\$177,442	\$0	\$428,658	\$2.80	\$171,644	\$158,644	\$	\$330,288	\$2.16
151,301	1 \$368,301	\$2.41	\$375,487	\$2.48	\$266,546	\$1.76	\$105,056	\$104,698	\$0	\$209,754	\$1.39	\$267,991	\$86,910	\$	\$354,901	\$2.35
96,200	0 \$190,596	\$1.98	\$187,777	\$1.95	\$294,938	\$3.07	\$106,363	\$53,474	\$0	\$159,837	\$1.66	\$123,541	\$54,072	\$0	\$177,613	\$1.85
410,000	0 \$1,019,475	\$2.49	\$866,101	\$2.11	\$918,297	\$2.24	\$768,137	\$193,086	\$0	\$961,223	\$2.34	\$717,123	\$162,855	\$0	\$879,978	\$2.15
389,550		\$1.97	\$685,734	\$1.76	\$567,278	\$1.46	\$563,951	\$195,038	\$0	\$758,989	\$1.95	\$522,296	\$187,653	\$0	\$709,949	\$1.82
70,000	0 \$229,575	\$3.28	\$262,785	\$3.75	\$184,068	\$2.63	\$146,696	\$92,841	\$0	\$239,537	\$3.42	\$134,071	\$90,810	\$0	\$224,881	\$3.21
687 Watertown St.** 40,600	0 \$66,136	\$1.63	\$66,744	\$1.64	\$76,966	\$1.90	\$37,648	\$18,512	\$0	\$56,160	\$1.38	\$37,103	\$18,510	\$	\$55,613	\$1.37
2.265.843	2 \$4 552 804	¢1 00	¢1 00 ¢1 102 108	64 00	4 4 70 5 500	41171	100 00 11 11		000 707	100 010 10	00 00	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				

FY20 Budget minus Actual

* For the 2019-20 school year, Cabot students will be attending their first year in the new Cabot building.
** For the 2019-20 school year, Horace Mann students will be attending their first year in their newly renovated school, previously the Carr School.
*** Beginning in the 2019-20 school year, 687 Watertown Street, formerly the Horace Mann School, will be vacant.

\$223,862

\$0

\$99,193

\$124,669

FY20 Electricity, Natural Gas and Heating Oil Usage Summary

$\overline{}$	_							-			-						-	_				-			-	_	
	FY21	Projected	0	24,000	0	0	0	0	0	0	0	0	0	28,000	0	0	0	0	0	0	0	0	0	0	0	0	52,000
lons)	FY21	Budget	0	24,000	0	0	0	0	0	0	0	0	0	28,000	0	0	0	0	0	0	0	0	0	0	0	0	52,000
Heating Oil (Gallons)	FY20	Actual																									
Hea	FY19	Actual	0	19,610	0	0	0	0	0	0	0	0	0	30,289	0	0	0	0	0	0	0	0	0	0	0	0	49,899
	FY18	Actual	0	21,621	0	0	0	0	0	0	0	0	0	27,191	0	0	0	0	0	0	0	0	0	0	0	0	48,812
	FY21	Projected	22,399	1,363	44,990	16,047	20,644	38,134	53,271	14,613	48,244	30,261	64,085	6,444	51,982	45,997	38,982	17,023	41,738	146,895	52,209	44,664	135,874	160,618	76,335	16,102	1,188,908
rms)	FY21	Budget	23,326	1,478	44,900	16,607	43,180	48,202	64,092	15,337	56,325	27,749	59,823	1,942	55,705	44,693	41,888	18,361	52,204	156,594	68,065	46,336	164,703	182,314	81,718	15,031	1,330,573
Natural Gas (Therms)	FY20	Actual	19,444	1,303	45,575	14,583	18,677	53,791	13,738	29,881	30,834	66,209	9,820	51,282	45,990	34,631	13,882	28,142	138,142	41,512	44,154	139,065	153,297	72,624	15,894	40,946	1,123,416
Natu	FY19	Actual	25,082	1,421	47,012	17,097	0	45,647	57,609	15,424	57,252	27,334	61,243	1,937	52,446	45,626	43,193	20,370	55,407	152,625	61,920	43,288	165,298	180,222	79,945	16,403	1,273,801
	FY18	Actual	21,242	1,622	40,733	15,909	19	44,481	69,974	14,912	57,437	25,473	53,571	1,423	57,661	41,954	41,819	17,105	54,030	142,073	75,261	44,528	165,906	168,584	67,784	20,329	1,243,830
	FY21	Projected	432,237	238,182	168,009	144,872	475,248	241,063	194,863	278,344	205,810	193,187	188,186	112,545	127,289	119,036	144,018	312,516	337,287	376,179	1,070,590	488,787	2,815,317	2,162,049	666,991	190,916	11,683,518
(FY21	Budget	441,345	254,016	173,648	155,531	429,994	291,670	209,391	350,579	246,896	166,847	177,972	122,099	135,278	131,058	133,503	410,469	389,347	317,091	1,159,016	511,882	3,658,188	2,794,603	666,078	180,440	2,265,843 14,005,710 14,118,735 12,842,498 13,506,941 11,683,518
Electricity (KWH)	FY20	Actual	401,616	218,640	127,240	138,612	394,229	243,888	193,488	266,640	221,795	189,965	208,160	107,760	126,005	111,640	144,840	407,518	331,200	414,644	1,041,596	513,740	3,436,920	2,691,141	737,381	173,840	12,842,498
Ele	FY19	Actual	474,312	248,400	212,760	158,848	0	287,706	215,363	282,240	246,692	232,440	236,240	128,040	135,301	143,760	168,760	474,780	400,800	470,212	1,210,228	610,520	3,874,980	2,947,684	746,029	212,640	14,118,735
	FY18	Actual	446,133	280,128	218,854	163,006	15,163	296,505	213,041	262,963	266,426	226,596	236,014	126,736	141,112	123,266	175,699	475,151	422,493	428,152	1,202,652	615,980	3,855,264	2,798,345	796,428	219,603	14,005,710
	Sq. Ft.		76,500	51,065	69,535	55,399	43,584	49,612	62,746	53,532	51,074	43,000	68,775	36,050	43,300	38,000	41,700	78,800	92,500	153,020	151,301	96,200	410,000	389,550	70,000	40,600	2,265,843
	School		Angier	Aquinas	Bowen	Burr	Cabot*	Countryside	Franklin	Horace Mann**	Lincoln-Eliot	Mason-Rice	Memorial-Spaulding	Peirce	Underwood	Ward	Williams	Zervas	Bigelow	Brown	Day	Oak Hill	Newton North	South High	Ed Center	687 Watertown St.***	Total

^{*} For the 2019-20 school year, Cabot students will be attending their first year in the new Cabot building.
** For the 2019-20 school year, Horace Mann students will be attending their first year in their newly renovated school, previously the Carr School.
*** Beginning in the 2019-20 school year, 687 Watertown Street, formerly the Horace Mann School, will be vacant.



City of Newton, Massachusetts Office of the Mayor

456-20

Telephone (617) 796-1100

Telefax (617) 796-1113

TDD (617) 796-1089

E-mail rfuller@newtonma.gov

November 9, 2020

HEWTON CLERK

20 NOV -9 PH 4: 2

Honorable City Council Newton City Hall 1000 Commonwealth Avenue Newton Centre, MA 02459

Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to accept, appropriate and expend the sum of \$100,000, in additional grant funding from the Mass Dept of Public Health COVID-19 Emergency Grant in order to support additional compensation in the form of overtime, additional personnel resources, and the purchase of emergency supplies necessary to help the City of Newton respond to the COVID-19 pandemic.

Prior to this date, we have received \$200,000 to enable our Health & Human Services Department to cover costs incurred as a result of COVID-19. These funds will enable us to continue our dedicated response to the Coronavirus Pandemic through June 30, 2021.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller

Mayor



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
250 Washington Street, Boston, MA 02108-4619

CHARLES D. BAKER Governor KARYN E. POLITO Lieutenant Governor MARYLOU SUDDERS Secretary

MONICA BHAREL, MD, MPH Commissioner

Tel: 617-624-6000

www.mass.gov/dph

Date: 11/02/2020

To: CITY OF NEWTON

Re: Contract # INTF1208P01W20153017

Enclosed please find for your review and signature a Standard Contract package. This package is a result of recent negotiations with the Department of Public Health, as specified in the attached cover letter and includes the items noted below. Please take note of the following:

NEW STANDARD CONTRACT/AMENDMENT/RENEWAL FORM

Must be signed and dated (**Preferred BLUE INK**). Do not use correction fluid anywhere on the forms. If the provider information that is pre-filled in the upper left hand box is incorrect or missing, please contact me so that I can help you with the process to update. For instructions and hyperlinks, you can view this form at www.mass.gov/osc under Guidance for Vendors-Forms or at www.mass.gov/osc under OSD forms.

All attachments must be completed for your contract package to be processed.

CONTRACTOR AUTHORIZED SIGNATORY LISTING AND AUTHENTICATION FORM

An original Contractor Authorized Signatory Listing (CASL) form must be submitted for each new contract package. Once an original is in the contract file, the provider/vendor can include a copy of the CASL with each subsequent contract amendment package, unless there is a change to the person who signed the Listing, or a name/s on the CASL changes.

If you have any questions, please contact **Beth Harrington** at **617-624-5807** An original contract package must be completed by **11/09/2020** and mailed to:

Department of Public Health Purchase of Service Office 250 Washington St., 8th Floor Boston, MA 02108-4619 Attention: **Beth Harrington**



The Commonwealth of Massachusetts Executive Office of Health and Human Services Department of Public Health 250 Washington Street, Boston, MA 02108-4619

CHARLES D. BAKER Governor

KARYN E. POLITO Lieutenant Governor MARYLOU SUDDERS
Secretary

MONICA BHAREL, MD, MPH Commissioner

> Tel: 617-624-6000 www.mass.gov/dph

November 2, 2020

Ruthanne Fuller CITY OF NEWTON 1000 Commonwealth Ave Newton, MA 02459

Contract number #: RE: INTF1208P01W20153017

Contract Amendment Duration Change Only COVID19 Emergency Response

Dear Ruthanne;

The Massachusetts Department of Public Health, Office of Local and Regional Health is pleased to provide the enclosed Standard Contract Amendment package, for your review and signature. Your agency is receiving additional funding to support the COVID19 Emergency Response extending the contract end date to June 30, 2021 increasing the contract total max obligation to \$ 300,000.00.

Please return an estimated total budget/plan with your contract renewal package in order to avoid a break in service. A negotiated budget will be formalized with your DPH program manager, Ron O'Connor, on or before November 30, 2020.

Current Max Obligation: FY21 (7/1/2020-12/30/2020) Increase: New Total Max Obligation: \$200,000.00 \$100,000.00

\$300,000.00

On behalf of the Massachusetts Department of Public Health, I want to thank you for your commitment to improve the health of the people of the Commonwealth.

Sincerely,

Roh O'Connor, MPH, Director Office of Local and Regional Health

COMMONWEALTH OF MASSACHUSETTS ~ STANDARD CONTRACT FORM

This form is jointly issued and published by the Office of the Comptroller (CTR), the Executive Office for Administration and Finance (ANF), and the Operational Services Division (OSD) as the default contract for all Commonwealth Departments when another form is not prescribed by regulation or policy. The Commonwealth deems void any changes made on or by attachment (in the form of addendum, engagement letters, contract forms or invoice terms) to the terms in this published form or to the Standard Contract Form Instructions and Contractor Certifications, the Commonwealth Terms and Conditions, the Commonwealth Terms and Conditions for Human and Social Services or the Commonwealth TT Terms and Conditions, which are incorporated by reference herein. Additional non-conflicting terms may be added by Attachment.

Contractive for several terms and conditions, which are incorporated by reference herein. Additional non-conflicting terms may be added by Attachment.

Contractors are required to access published forms at www.mass.gov/lists/osd-forms .	CIR Forms: https://www.m	nacomptroller, org/torms. Forms are also posted at OSD Form	15: <u>nttps://</u>	
CONTRACTOR LEGAL NAME: CITY OF NEWTON		COMMONWEALTH DEPARTMENT NAME: Department of Public Health MMARS Department Code: DPH		
Legal Address: (W-9, W-4):		Business Mailing Address:		
1000 COMMONWEALTH AVE NEWTON, MA 0	24591400	250 Washington Street, Boston MA 02108		
Contract Manager: Deborah Youngblood, PhD	Phone: 617-796-1420	Billing Address (if different):		
E-Mail: dyoungblood@newtonma.gov	Fax:	Contract Manager: Beth Harrington Phone: 617-624-58		
Contractor Vendor Code: VC6000192120		E-Mall: Beth.Harrington@mass.gov Fax: 617-624-501		
Vendor Code Address ID (e.g. "AD001"): AD 001		MMARS Doc ID(s): INTF1208P01W20153017		
(Note: The Address Id Must be set up for <u>EFT</u> payment	ts.)	RFR/Procurement or Other ID Number: W20153 Emergency		
NEW CONTRACT PROCUREMENT OR EXCEPTION TYPE: (Check one option only) Statewide Contract (OSD or an OSD-designated Department) Collective Purchase (Attach OSD approval, scope, budget) Department Procurement (includes all grants 815 CMR 2.00) (Solicitation Notice or RFR, and Response or other procurement supporting documentation) Emergency Contract (Attach justification for emergency, scope, budget) Contract Employee (Attach Employment Status Form, scope, budget) Other Procurement Exception: (Attach authorizing language, legislation with specific exemption or earmark, and exception justification, scope and budget)		CONTRACT AMENDMENT Enter Current Contract End Date Prior to 08/30, 20 21, Amendment: Enter Amendment Amount: \$ 100,000.00 (or "no change") AMENDMENT TYPE: (Check one option only. Attach details of Amendment changes.) Amendment to Scope or Budget (Attach updated scope and budget) Interim Contract (Attach justification for Interim Contract and updated scope/budget) Contract Employee (Attach any updates to scope or budget) Other Procurement Exception (Attach authorizing language/justification and updated scope and budget)		
		ommonwealth Terms and Conditions document is incosporated by a onwealth Terms and Conditions For Human and Social Services Common		
COMPENSATION: (Check ONE option): The Department certifies that payments for authorized performance accepted in accordance with the terms of this Contract will be supported in the state accounting system by sufficient appropriations or other non-appropriated funds, subject to intercept for Commonwealth owed debts under 815 CMR 9.00. Rate Contract (No Maximum Obligation. Attach details of all rates, units, calculations, conditions or terms and any changes if rates or terms are being amended.) Maximum Obligation Contract Enter Total Maximum Obligation for total duration of this Contract (or new Total if Contract is being amended). PROMPT PAYMENT DISCOUNTS (PPD): Commonwealth payments are issued through EFT 45 days from invoice receipt. Contractors requesting accelerated payments must				
identify a PPD as follows: Payment issued within 10 days% PPD; Payment issued within 15 days% PPD; Payment issued within 20 days% PPD; Payment issued within 30 days% PPD. If PPD percentages are left blank, identify reason:				
ANTICIPATED START DATE: (Complete ONE option only) The Department and Contractor certify for this Contract, or Contract Amendment, that Contract obligations: 1. may be incurred as of the Effective Date (latest signature date below) and no obligations have been incurred prior to the Effective Date. 2. may be incurred as of, 20, a date LATER than the Effective Date below and no obligations have been incurred prior to the Effective Date. 3. were incurred as of, 20, a date LATER than the Effective Date below, and the parties agree that payments for any obligations incurred prior to the Effective Date are authorized to be made either as settlement payments or as authorized reimbursement payments, and that the details and circumstances of all obligations under this Contract are attached and incorporated into this Contract. Acceptance of payments forever releases the Commonwealth from further claims related to these obligations.				
CONTRACT END DATE: Contract performance shall terminate as of 06/30, 2021, with no new obligations being incurred after this date unless the Contract is properly amended, provided that the terms of this Contract and performance expectations and obligations shall survive its termination for the purpose of resolving any claim or dispute, for completing any negotiated terms and warranties, to allow any close out or transition performance, reporting, involving or final payments, or during any lapse between amendments.				
CERTIFICATIONS: Notwithstanding verbal or other representations by the parties, the "Effective Date" of this Contract or Amendment shall be the latest date that this Contract or Amendment has been executed by an authorized signatury of the Contractor, the Department, or a later Contract or Amendment Start Date specified above, subject to any required approvals. The Contractor certifies that they have accessed and reviewed all documents incorporated by reference as electronically published and the Contractor makes all certifications required under the Standard Contract Form Instructions and Contractor Certifications under the pains and penalties of perjury, and further agrees to provide any required documentation upon request to support compliance, and agrees that all terms governing performance of this Contract and doing business in Massachusetts are attached or incorporated by reference herein according to the following hierarchy of document precedence, this Standard Contract Form, the Standard Contract Form Instructions, Contractor Certifications, the applicable Commonwealth Terms and Conditions, the Request for Response (RFR) or other solicitation, the Contractor's Response, and additional negotiated terms will take precedence over the relevant terms in the RFR and the Contractor's Response only if made using the process outlined in 801 CMR 21.07, incorporated herein, provided that any amended RFR or Response terms result in best value, lower costs, or a more cost effective Contract. AUTHORIZING SIGNATURE FOR THE CONTRACTOR:				
X: Kutha Full Date Must Be Handwritten At	10: 11/3/2020	X: Date; (Signature and Date Must Be Handwritten At Time of Signature)		
(Signature and Date Must Be Handwritten At Print Name: Ruthanne Fuller	Time of Signature)			
Print Title: Mayor		Print Name: Sharon Dyer Print Title: Director. Purchase of Service Office		

ADDITIONAL REQUIRED TERMS FOR THIS CONTRACT:

In general, most of the required contractual stipulations are referenced in the Standard Contract Form and Instructions and the Commonwealth Terms and Conditions (either version). However, the following provisions also apply to this contract.

The terms of 801 CMR 21.00: Procurement of Commodities and Services (and 808 CMR 1.00: Compilance, Reporting and Auditing for Human and Social Services, for purchased human and social services for clients, object codes MM3 and M03) are incorporated by reference into this contract. Words used in this contract shall have the meanings defined in 801 CMR 21.00 (and 808 CMR 1.00, if applicable).

Americans with Disability Act (ADA) Contract Compliance

All MM3/M03 contractors must be in compliance with ADA requirements.

Best Value Negotiation

The Department and the contractor may negotiate a change in any element of contract performance or cost specified in the original contract which results in lower costs or a more cost effective or better value.

Commonwealth Terms & Conditions

The contractor will be required to execute the applicable Commonwealth Terms and Conditions. Contractors providing MM3/M03 services are required to sign the Commonwealth Terms & Conditions for Human and Social Services. All other contractors must sign the Commonwealth Terms and Conditions. These documents are executed only once by a Contractor and apply to any and all contracts executed between the Contractor and Departments.

Contract Expansion

If additional funds become available during the contract duration period, the department reserves the right to increase the maximum obligation to this contract.

CORI Checks:

In order to ensure that employees or other persons regularly providing client or support services in any program or facility of the Department of Public Health or in vendor agency programs funded by DPH are appropriate for serving in their positions, a Criminal Offender Record Information (CORI) check shall be performed on candidates for positions in such programs or facilities, in accordance with 101 CMR 15.00 (EOHHS regulations governing Criminal Offender Record Checks). These regulations establish a core standardized policy regarding the review of criminal records for employment. It is the policy of EOHHS and the Department of Public Health that an individual's background, including any CORI and other relevant information, be carefully considered so that the vulnerable populations served by EOHHS and the Department of Public Health are protected. It is also the policy of EOHHS and the Department of Public Health that qualified rehabilitated offenders are given a fair opportunity to be employed and successfully reintegrated into the workforce. In addition, as provided in 101 CMR 15.09(5), the hiring authority must comply with the requirements of the Division of Criminal Justice Information Services (formerly the CHSB) governing CORI at 803 CMR 2,00 et seq.

Debarment

The Contractor assures that the Contractor and any of its subcontractors are not currently debarred or suspended by the federal or state government under any law or regulation including, Executive Order 147; <u>G.L. c. 29, s. 29F</u> and <u>G.L. c. 152, s. 25C</u>; and agrees to notify the Department in the event that the Contractor or any of its subcontractors become debarred or suspended.

Electronic Funds Transfer (EFT)

The contractor must agree to participate in the Commonwealth Electronic Funds Transfer (EFT) program for receiving payments. EFT is a benefit to both contractors and the Commonwealth because it ensures fast, safe and reliable payment directly to contractors and saves both parties the cost of processing checks. Contractors are able to track and verify payments made electronically through the Comptroller's Vendor Web system. A link to the EFT application can be found on the OSD Forms page (www.mass.gov/osd). Additional information about EFT is available on the VendorWeb site (www.mass.gov/osc). Click on the VendorWeb link.

If the contractor is not currently enrolled in EFT, it will be required to enroll as a contract requirement by completing and submitting the *Authorization for Electronic Funds Payment Form* to this department for review, approval and forwarding to the DPH Accounting Office. Because the *Authorization for Electronic Funds Payment Form* contains banking information, this form, and all information contained on this form, shall not be considered a public record and shall not be subject to public disclosure through a public records request.

Email Address Required for Contracts

Contracts cannot be processed without a vendor email address entered on the contract form. Organizations or individuals that prefer not to provide a personal email address may establish an email account using one of the many free email services available (such as

April 12, 2017

msn.com or google.com). Contractors that do not have a computer or Internet access can use the free access provided at every public library in Massachusetts.

Emergency Standby Commodities and/or Services

Due to a declaration of a state of emergency where the safety and well-being of Commonwealth citizens are at risk, the Commonwealth of Massachusetts may request specific commodities and/or services from its contractors. Contractors may be called upon to supply and/or deliver to the Commonwealth on a priority basis such commodities and/or services currently under contract.

Such accommodations may be requested from a contractor during an actual emergency. To accommodate such requests, contractors may be requested and must make every effort to service these requests from regular sources of supply at the rates set forth in its contract.

Enterprise Invoice / Service Management (EIM/ESM) (POS Contracts only)

If EOHHS or DPH directs contractor during the term of this contract to access the EIM/ESM service through the Virtual Gateway for the purpose of conducting business with either EOHHS or DPH, contractor agrees to use such services as directed and execute all required Use or Service Agreements required by the Virtual Gateway and to comply with all applicable Virtual Gateway, DPH and EOHHS policies and procedures related to such services, including policies pertaining to data security and protection of confidential information. Contractor further agrees to submit all information as directed by EOHHS or DPH including, but not limited to, invoices, contract and/or other information to DPH through these web-based applications. Contractor further agrees to take all necessary steps to ensure that it, and its subcontractors or affiliates, complies with these requirements and has access to and utilize all required web-based services in the Virtual Gateway.

Environmentally Preferable Products and Services

The Department and contractor(s) may negotiate during the contract term to permit the substitution or addition of Environmentally Preferable Products (EPPs) when such products are readily available at a competitive cost and satisfy the Department's performance needs.

Executive Order 509, Establishing Nutrition Standards for Food Purchased and Served by State Agencies (POS Contracts only):

Food purchased and served by state agencies must be in compliance with Executive Order 509, issued in January 2009. Under this Executive Order, all contracts resulting from procurements posted after July 1, 2009 that involve the purchase and provision of food must comply with nutrition guidelines established by the Department of Public Health (DPH). The nutrition guidelines are available at the Department's website: Executive Order # 509 Guidance.

Funds Balance Forward Requirement

Any funds designated in the budget that are unspent in any fiscal year will not be available for expenditure in the subsequent fiscal year without a formal contract amendment re-authorizing these funds. The maximum obligation of the contract will automatically be reduced by the amount of the unspent funds from the prior fiscal year,

Pricing: Price Limitation

The contractor must agree that no other state or public entity customer within the United States of similar size and with similar terms and conditions shall receive a lower price for the same commodity and service during the contract period, unless this same lower price is immediately effective for the Commonwealth. If the Commonwealth believes that it is not receiving this lower price as required by this language, the contractor must agree to provide current or historical pricing offered or negotiated with other state or public entities at any time during the contract period in the absence of proprietary information being part of such contracts.

Prompt Payment Discounts (PPD)

With the exception of MM contractors that are providing client-related services, contractors are strongly encouraged to participate in the Commonwealth Prompt Payment Discount (PPD) initiative for receiving early and/or on-time payments. PPD benefits both contractors and the Commonwealth. Contractors benefit by increased, usable cash flow as a result of fast and efficient payments for commodities or services rendered. Participation in the Electronic Funds Transfer initiative further maximizes the benefits with payments directed to designated accounts, thus eliminating the impact of check clearance policies and traditional mail lead time or delays. The Commonwealth benefits because contractors reduce the cost of products and services through the applied discount. Payments that are processed electronically can be tracked and verified through the Comptroller's VendorWeb system. The PPD form can be found on the OSD Forms page and in this solicitation under the Forms and Terms tab.

Provider Data Management (PDM) (POS Contracts only)

Pursuant to its obligation hereunder regarding the use of EOHHS Virtual Gateway Business Services, contractor agrees to complete and maintain an organizational profile in the Virtual Gateway's Provider Data Management (PDM) system. PDM is a web-based service managed by the Executive Office of Health and Human Services (EOHHS) that presents information about a provider's organizational structure, financial health, and state contracting activity. If your organization does not currently access and update PDM, you must contact the EOHHS Provider Data Management team at pos.pdm@massmail.state.ma.us or call the Virtual Gateway Helpdesk at 1-800-421-0938 for assistance.

Provider Qualification (POS Contracts only)

Prior to entering into a contract with DPH a provider of purchased human and social services for clients (object codes MM3 and M03) must demonstrate that it meets minimum administrative and fiscal standards, established through the Executive Office of Health and Human Services (EOHHS) provider qualification policy. Provider qualification is the process the Commonwealth uses to be assured it has minimized possible risks to clients and families being served through purchased programs.

New providers of purchased human and social services for clients (object codes MM3 and M03) must complete the provider qualification application materials for new providers and submit the completed form to Bill.Stallworth@state.ma.us. The Application can be found at the EOHHS Internet site for Potential New Purchase of Service (POS) Providers.

Providers that currently have MM3/M03 contracts must have filed their Uniform Financial Statements and Independent Auditor's Report (UFR) with the Operational Services Division via the Internet using the UFR eFiling application for the most recently completed fiscal year before a contract can be executed and services may begin. Other contractor qualification/risk management reporting requirements and non-filing consequences promulgated by secretariats or departments pursuant to 808 CMR 1.04(3) may also apply.

Public Records

Contracts are subject to the Massachusetts Public Records Law, M.G.L., c, 66, s, 10, and to c, 4, s, 7, ss, 26.

Required Procurement Language for Executive Order 515, Establishing an Environmental Purchasing Policy

"Products and services purchased by state agencies must be in compliance with Executive Order 515, issued October 27, 2009. Under this Executive Order, Executive Departments are required to reduce their impact on the environment and enhance public health by purchasing environmentally preferable products and services (EPPs) whenever such products and services perform to satisfactory standards and represent best value, consistent with 801 CMR 21.00. In line with this directive, all contracts, whether departmental or statewide, must comply with the specifications and guidelines established by OSD and the EPP Program. EPPs are considered to be products and services that help to conserve natural resources, reduce waste, protect public health and the environment, and promote the use of clean technologies, recycled materials, and less toxic products."

Restriction on the Use of the Commonwealth Seal

Contractors are not allowed to display the Commonwealth of Massachusetts Seal in marketing materials because use of the coat of arms and the Great Seal of the Commonwealth for advertising or commercial purposes is prohibited by law.

Subcontracting Policies

Prior approval of the Department is required for any subcontracted service of the contract. Contractors are responsible for the satisfactory performance and adequate oversight of its subcontractors. Subcontractors are required to meet the same state and federal financial and program reporting requirements and are held to the same reimbursable cost standards as contractors.

Supplier Diversity Program (SDP) Plan

Massachusetts Executive Order 524 established a policy to promote the award of state contracts in a manner that develops and strengthens Minority and Women Business Enterprises (MWBEs) that resulted in the Supplier Diversity Program in Public Contracting. Similarly, Executive Order 546 established the Service-Disabled Veteran-Owned Business Enterprise (SDVOBE) Program to encourage the participation of businesses owned and controlled by service-disabled veterans in all areas of state procurement and contracting, thereby including them in the SDP. Contractors are required to develop creative initiatives to help foster new business relationships with MWBEs and/or SDVOBEs within the primary industries affected by this contract. Once an SDP commitment, expressed as a percentage of contract revenues, is submitted and approved, the agency will then monitor the contractor's performance, and use actual expenditures with SDO certified MWBE contractors and the Center for Veterans Enterprise certified SDVOBEs to fulfill their own SDP expenditure benchmarks. M/WBE and SDVOBE participation must be incorporated into and monitored for all types of procurements regardless of size; however, submission of an SDP Plan is mandated only for large procurements over \$150,000.

Unless otherwise specified SDP forms are required to be submitted in order to meet the mandatory participation requirements of the SDP.

Resources available to assist providers in identifying SDP Certified Partners include:

 Potential Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) partners can be found on the <u>Supplier Diversity Program webpage</u>. For a complete list of certified vendors refer to: https://www.sdo.osd.state.ma.us/BusinessDirectory/BusinessDirectory.aspx

April 12, 2017

- Resources available to assist providers in finding potential Service-Disabled Veteran-Owned Business Enterprise (SDVOBE) partners can be found on the <u>Supplier Diversity Office Webpage</u> (www.mass.gov/sdo).
- The Operational Services Division offers SDP trainings for providers. Resources and a webinar to assist bidders can be found at; Supplier Diversity Plan Policy Resources for Purchase of Service

Supplier Diversity Program Subcontracting Policies. Prior approval of the agency is required for any subcontracted service of the contract. Agencies may define required deliverables including, but not limited to, documentation necessary to verify subcontractor commitments and expenditures with Minority- or Women-Owned Business Enterprises (M/WBEs) and/or Service Disabled Veteran Owned Business Enterprises (SDV)Bes) for the purpose of monitoring and enforcing compliance of subcontracting commitments made in a bidder's Supplier Diversity Program (SDP) Plan. Contractors are responsible for the satisfactory performance and adequate oversight of their subcontractors.

Reporting.

Contractors are responsible for compliance with all other contract reporting requirements including, but not limited to, Supplier Diversity Program (SDP) and other contract reports, as required by this contract.

Uniform Financial Statement (UFR) Filing Requirements (POS Contracts only):

Successful bidders must have filed their Uniform Financial Statements and Independent Auditor's Report (UFR), as required for current contractors, with the Operational Services Division via the Internet using the UFR eFiling application for the most recently completed fiscal year before a contract can be executed and services may begin. Other contractor qualification/risk management reporting requirements and non-filing consequences promulgated by secretariats or departments pursuant to 808 CMR 1.04(3) may also apply. In the event immediate services are required by a department, a contract may be executed and services may begin with the approval of OSD or the appropriate secretariat. However, unless authorized by OSD, or the appropriate secretariat, the contractor will not be paid for any such services rendered until the UFR has been filed.

Virtual Gateway Business Services (POS Contracts only):

During the term of this contract, EOHHS will implement and enhance a number of business services through the Virtual Gateway in addition to existing services including, but not limited to, Provider Data Management (PDM), Common Intake (also known as Intake, Eligibility and Referral- IE&R), Enterprise Invoice Management (EIM) and Enterprise Service Management (ESM). EOHHS operates the Virtual Gateway business services, which permit users to access a variety of EOHHS programs and services (including DPH programs and services). Virtual Gateway business services are accessible by end users with web browsers such as Internet Explorer (6.0 or above), and a broadband Internet connection that is capable of high-speed data transmission, such as a Local Area Network (LAN), a cable modem, or DSL. Upon execution of the contract, vendors may be required to access certain services through the Virtual Gateway, at DPH's direction, and may be required to submit invoices, contract and/or other information to DPH through these webbased applications, and shall comply with all applicable DPH and EOHHS policies and procedures related to such services. Vendors agree to use all business services through the Virtual Gateway required by DPH and to take all necessary steps to insure that they, their subcontractors or affiliates have access to and utilize these web-based services. Vendors further agree to execute and submit any and all required agreements, including subcontracts, MOAs, confidentiality and/or end user agreements in connection with obtaining necessary end user accounts for any Virtual Gateway business service.

Workplace Violence and Prevention and Crisis Response Plan (POS Contracts only):

101 CMR 19.00, Workplace Violence and Prevention and Crisis Response Plan, governs the procedures and criteria for workplace violence and prevention and response plans for programs that provide direct services to clients that are operated, licensed, certified or funded by a department, commission, office, board, division, institution or other entity within the Executive Office of Health and Human Services under M.G.L. c.6A § 16. Any direct service program that contracts with the Executive Office of Health and Human Services (EOHHS) or the constituent agencies of EOHHS must comply with 101 CMR 19.00, including having a plan that meets the criteria set forth in 101 CMR 19.04 which is updated annually, available electronically and provided to any human service worker upon request. The regulations and response plan guidelines are available at the following website: www.mass.gov/hhs/HSW-safety-regs

Massachusetts Department of Public Health

Office of Local and Regional Health

Critical Services to Address COVID-19 Emergency

Scope of Work

The Vendor will provide the following critical services to address the COVID-19 emergency in the City of Newton.

- 1. Conduct a rapid assessment of needs for services, resources and public messaging/ community education in vendor.
- 2. Provide technical assistance to municipal partners based on identified needs.
- 3. Additional Services may include:
 - Surveillance and case identification (including, but not limited to, public health epidemiological investigation activities such a contact follow-up)
 - Monitoring of travelers
 - Isolation and quarantine (including, but not limited to, housing; wrap-around services; security; environmental control, clean-up and waste management; and behavioral health services).
 - Surge Staffing
 - Risk Communication support
 - Public health coordination with health care system.

A budget and brief interim report of activities will be due by November 30, 2020

COMMONWEALTH OF MASSACHUSETTS CONTRACTOR AUTHORIZED SIGNATORY LISTING



CONTRACTOR LEGAL NAME: CONTRACTOR VENDOR'CUSTOMER CODE: CONTRACT#:

INSTRUCTIONS: Any Contractor (other than a sole-proprietor or an individual contractor) must provide a listing of individuals who are authorized as legal representatives of the Contractor who can sign contracts and other legally binding documents related to the contract on the Contractor's behalf. In addition to this listing, any state department may require additional proof of authority to sign contracts on behalf of the Contractor, or proof of authenticity of signature (a notarized signature that the D epartment can use to verify that the signature and date that appear on the Contract or other legal document was actually made by the Contractor's authorized signatory, and not by a representative, designee or other individual.)

NOTICE: Acceptance of any payment under a Contract or Grant shall operate as a waiver of any defense by the Contractor challenging the existence of a valid Contract due to an alleged lack of actual authority to execute the document by the signatory.

For privacy purposes DO NOT ATTACH any documentation containing personal information, such as bank account numbers, social security numbers, driver's licenses, home addresses, social security eards or any other personally identifiable information that you do not want released as part of a public record. The Commonwealth reserves the right to publish the names and titles of authorized signatories of contractors.

AUTHORIZED SIGNATORY NAME	TITLE	
Kutham Fuller	11/3/2020	
<u> </u>		

I certify that I am the President. Chief Executive Officer. Chief Fiscal Officer. Corporate Clerk or Legal Counsel for the Contractor and as an authorized officer of the Contractor I certify that the names of the individuals identified on this listing are current as of the date of execution below and that these individuals are authorized to sign ontracts and other legally binding documents related to contracts with the Commonwealth of Massachusetts on behalf of the Contractor. I understand and agree that the Contractor has a duty to ensure that this listing is immediately updated and communicated to any state department with which the Contractor does business whenever the authorized signatories above retire, are otherwise terminated from the Contractor's employ, have their responsibilities changed resulting in their no longer being authorized to sign contracts with the Commonwealth or whenever new signatories are designated.

Ruth Tuller Date: 11/3/2020

Title: Mayor Telephone: 617-796-1420

Fax: 617-559-7063 Email: nealthenewtonma.gov

[Listing can not be accepted without all of this information completed.] A copy of this listing must be attached to the "record copy" of a contract filed with the department.



City of Newton, Massachusetts Office of the Mayor

457-20

Telephone (617) 796-1100

Telefax (617) 796-1113

TDD (617) 796-1089

E-mail rfuller@newtonma.gov

November 9, 2020

Honorable City Council Newton City Hall 1000 Commonwealth Avenue Newton Centre, MA 02459

Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to accept, appropriate and expend the sum of \$7,475.29 from the Massachusetts Department of Public Health (MDPH)'s Bureau of Infectious Disease and Laboratory Sciences (BIDLS), Immunization Division for local health departments to support influenza vaccine activities for the coming influenza season.

The amount was determined using a formula starting with a base value plus an amount allocated based on population. Funds can be used to hire temporary staff, cover overtime expenses, advertise clinics, rent clinic space, upgrade vaccine storage units, and purchase vaccine clinic supplies including personal protective equipment (PPE). Specifically, the Health & Human Services Department will use this grant to purchase supplies and signage, fund staff overtime and contribute to the purchase price of a new refrigerator which will be used to store the flu vaccine, as well as the COVID vaccine when available.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller

Mayor



Dear Newton Health Department:

The Massachusetts Department of Public Health (MDPH)'s Bureau of Infectious Disease and Laboratory Sciences (BIDLS), Immunization Division is pleased to announce funding for local health departments to support influenza vaccine activities for the coming influenza season. The funding was made available to those who plan to receive the flu vaccine from the state or participated in the Commonwealth Medicine flu billing project last year. The funds will go through the Health and Medical Coordinating Coalition (HMCC)'s Sponsoring Organizations. These are regional entities, contracted through MDPH's Office of Preparedness and Emergency Management, who already act as fiscal agents in the regions. MDPH is making \$7,475.29 available for your community for the 2020 fall flu vaccine clinics. The amount was determined using a formula starting with a base value plus an amount allocated based on population.

This funding is to enhance your influenza vaccine activities to increase influenza vaccination rates in the Commonwealth. Funding shall be used to support and enhance influenza mass vaccination clinics in the fall of 2020. Funds can be used to hire temporary staff, cover overtime expenses, advertise clinics, rent clinic space, upgrade vaccine storage units, and purchase vaccine clinic supplies including personal protective equipment (PPE). Funding cannot be used for direct vaccine purchase. Local health departments are strongly encouraged to work closely with their school districts to provide some of their flu clinics in the school setting. As a reminder, all vaccine that is administered must be reported to the Massachusetts Immunization Information (MIIS) within 7 days of vaccine administration.

The funds must be used by 12/31/20. Each month the Immunization Division will run reports in the MIIS to track the number of flu doses your department has administered. Further information may be requested depending on the number of doses reported.

Before receiving the funding, a brief (no more than one page) work plan and budget, outlining how the funds will be spent, is required. The applicable HMCC Sponsoring Organization has been provided templates to assist you. The plan should include the anticipated number of doses of early season (state-supplied and privately purchased) vaccine that will be administered along with the number of doses of late season vaccine (to be provided in by MDPH in November-December) that could be administered.

If you have questions, please contact Jendy Dunlop, <u>idunlop@challiance.org</u>, who will work with MDPH to answer questions.

Please sign the attached Subcontractor Agreement and return by email along with your completed budget and workplan asap but no later than Tuesday, October 6th, 2020.

Sincerely,

Jendy Dunlop, MPH, CHEP MRPC Program Manager Cambridge Health Alliance

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CONTRACTOR AGREEMENT

This AGREEMENT is made by and between THE CAMBRIDGE PUBLIC HEALTH COMMISSION (Commission) dba Cambridge Health Alliance (CHA), and Newton (the "Contractor").

1. Term

The term of this agreement will continue until December 31st, 2020, with an option to renew by mutual written agreement.

2. Scope of Services

The Contractor is allowed to use the MDPH Bureau of Infectious Disease and Laboratory Sciences (BIDLS) Immunization Division grant funding to support and enhance influenza mass vaccination clinics in the Fall of 2020. Expenses from the following six areas are allowed:

- Hiring of temporary staff
- · Covering staff overtime expenses
- Advertising of clinics
- Rental costs for clinic space
- Upgrading vaccine storage units
- Purchasing vaccine clinic supplies including Personal Protective Equipment (PPE).

Funds cannot be used for direct purchase of vaccine.

The Contractor agrees to comply with all requirements as stated in the MDPH BIDLS Award Letter and in the Commonwealth of Massachusetts Terms and Conditions (Attached). Prior to receiving funding, along with the signed Subcontractor Agreement, the Contractor must complete a brief workplan and budget outlining how the funds will be spent. The workplan should include the anticipated number of doses early season (state-supplied and privately purchased) vaccine that will be administered along with the number of doses of late season vaccine (to be provided in by MDPH in November-December) that could be administered. Any community electing not to take the funding should notify CHA via email at their earliest convenience so any excess funding can be reapportioned for the region.

3. Payment

The Contractor is awarded a total of \$7,475.29 from the MDPH BIDLS Immunization Division to be spent through December 31, 2020. The Contractor will receive a check for the total funding amount upon submission of an approved workplan, budget, and this signed Subcontractor Agreement. CHA reserves the right to dispute any items and can withhold future funding on disputed items until resolution. CHA and the Contractor shall work to resolve any disputed items promptly and in good faith.

4. Confidentiality

During the Term, the Contractor may have access to confidential business information and documents of the Commission. The Contractor agrees to maintain the confidentiality of the Commission's information and will not disclose such information without the Commission's written consent.

6. Cancellation

This agreement may be canceled by either party with thirty (30) days written notice. If this agreement is canceled, CHA will be entitled to re-payment for any funds not rendered by the Contractor. Re-payment of



- Signatory Page -

Kum	Fully		10/4.	2020
Authorized Signatory	- T- 32 34		Date	•
Commonwealth of Massachuset County of <i>MydleSeX</i>	ts -			
I <u>Karen M. Fallon</u> (aforementioned signatory above	Notary) as a not that I verified t	ary public certify he individuals id	that I witnessed the entity on this date:	signature of the 2010.
My commission expires on: Tanuay 15, 2021	CON	KAREN M. FA Notary Puk MONWEALTH OF MAI My Commission E: January 15, 2	olic SSACHUSETTS Kpires On	AFFIX NOTARY SEAL
I(aforementioned signatory above	Corporate Clerk , that I verified th) as a notary pub he individuals id	lic certify that I witn entity on this date: _	essed the signature of the
•				AFFIX CORPORATE SEAL
	•			
Christian Lanphere, PhD Cambridge Health Alliance			Date	

COMMONWEALTH TERMS AND CONDITIONS

settlement agreement or judgment. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph. Any indemnification of the Contractor shall be subject to appropriation and applicable law.

12. Waivers. Forbearance or indulgence in any form or manner by a party shall not be construed as a waiver, nor in any way limit the legal or equitable remedies available to that party. No waiver by either party of any default or breach shall constitute a waiver of any subsequent default or breach.

13. <u>Risk Of Loss.</u> The Contractor shall bear the risk of loss for any Contractor materials used for a Contract and for all deliverables, Department personal or other data which is in the possession of the Contractor or used by the Contractor in the performance of a Contract until possession, ownership and full legal title to the deliverables are transferred to and accepted by the Department.

14. Forum, Choice of Law And Mediation. Any actions arising out of a Contract shall be governed by the laws of Massachusetts, and shall be brought and maintained in a State or federal court in Massachusetts which shall have exclusive jurisdiction thereof. The Department, with the approval of the Attorney General's Office, and the Contractor may agree to voluntary mediation through the Massachusetts Office of Dispute Resolution (MODR) of any Contract dispute and will share the costs of such mediation. No legal or equitable rights of the parties shall be limited by this Section.

15. Contract Boilerplate Interpretation, Severability, Conflicts With Law, Integration. Any amendment or attachment to any Contract which contains conflicting language or has the affect of a deleting, replacing or modifying any printed language of these Commonwealth Terms and Conditions, as officially

published by ANF, CTR and OSD, shall be interpreted as superseded by the official printed language. If any provision of a Contract is found to be superseded by state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision only to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the Contract, or portions thereof, shall be enforced to the fullest extent permitted by law. All amendments must be executed by the parties in accordance with Section 1. of these Commonwealth Terms and Conditions and filed with the original record copy of a Contract as prescribed by CTR. The printed language of the Standard Contract Form, as officially published by ANF, CTR and OSD, which incorporates by reference these Commonwealth Terms and Conditions, shall supersede any conflicting verbal or written agreements relating to the performance of a Contract, or attached thereto, including contract forms, purchase orders or invoices of the Contractor. The order of priority of documents to interpret a Contract shall be as follows: the printed language of the Commonwealth Terms and Conditions, the Standard Contract Form, the Department's Request for Response (RFR) solicitation document and the Contractor's Response to the RFR solicitation, excluding any language stricken by a Department as unacceptable and including any negotiated terms and conditions allowable pursuant to law or regulation.

IN WITNESS WHEREOF, The Contractor certify under the pains and penalties of perjury that it shall comply with these Commonwealth Terms and Conditions for any applicable Contract executed with the Commonwealth as certified by their authorized signatory below:

CONTRACTOR AUTHORIZED SIGNATORY:	W.
Print Name: Ruthern Fuller (signature)	
Title: Mayo	
Date: 10/4/2020	
(Check One):	
Full Legal Organization or Individual Name: City of Newton	
Doing Business As: Name (If Different):	
Tax Identification Number: 04- 6001404	A
Address: 1000 Commonwealth Ave Newton	MA 02459
Telephone: 617-79(e-)420 FAX: (017-559-7063	

INSTRUCTIONS FOR FILING THE COMMONWEALTH TERMS AND CONDITIONS

A "Request for Verification of Taxation Reporting Information" form (Massachusetts Substitute W-9 Format), that contains the Contractor's correct TIN, name and legal address information, must be on file with the Office of the Comptroller. If the Contractor has not previously filed this form with the Comptroller, or if the information contained on a previously filed form has changed, please fill out a W-9 form and return it attached to the executed COMMONWEALTH TERMS AND CONDITIONS.

If the Contractor is responding to a Request for Response (RFR), the COMMONWEALTH TERMS AND CONDITIONS must be submitted with the Response to RFR or as specified in the RFR. Otherwise, Departments or Contractors must timely submit the completed and properly executed COMMONWEALTH TERMS AND CONDITIONS (and the W-9 form if applicable) to the: Payee and Payments Unit, Office of the Comptroller, 9th Floor, One Ashburton Place, Boston, MA 02108 in order to record the filing of this form on the MMARS Vendor File. Contractors are required to execute and file this form only once.

Region:

4AB

Community

Newton

Current Budget Summary (will auto-populate - do not type)

* SALARIES AND WAGES * FRINGE BENEFITS	\$ 4,000.00
* EDINGE BENEEITS	
TRINGE DEINETTIS	\$ -
ACTUAL PERSONNEL COSTS	\$ 4,000.00

NON-PERSONNEL COSTS	
* EQUIPMENT	\$ 1,975.29
* SUPPLIES	\$ 1,500.00
* CONTRACTUAL	\$ -
* OTHER DPH FUNDED	\$ -
ACTUAL NON-PERSONNEL COSTS	\$ 3,475.29

Total Costs	1.00	\$	7,475.29

FY21 BIDLS Immunization Funding

Workplan

City of Newton

Instructions: Please complete the green highlighted sections, save, and send with completed budget and signed Subcontractor Agreement to hmcc.org by October 6, 2020.

Deliverable(s): Increase the number of individuals vaccinated with influenza vaccine by 10% from the previous year as measured by data reported to the MIIS. Analysis will be done directly by the DPH Immunization Division.

To increase the number of individuals vaccinated with influenza vaccine by 10%

1. Enhance the ability to dispense influenza vaccine to 10% more recipients than last year by conducting a flu clinic.

Planned
Activities

Planned
Activities

Report administered vaccine to the MIIS within seven (7) days of vaccine

Measure(s)
Date to be completed by
Responsible Entity

Report administration.

December 31, 2020

City of Newton Health and Human Services Department



City of Newton, Massachusetts Office of the Mayor

Telephone (617) 796-1100 Telefax (617) 796-1113 TDD (617) 796-1089 E-mail

rfuller@newtonma.gov

To: Councilor Rebecca Walker Grossman, Chair Finance Committee

Cc: City Council

From: Maureen Lemieux, C.F.O.

Date: November 19, 2020

Subject: Chestnut Hill Square I-Cubed Program Update

The Infrastructure Investment Incentive Program ("I-Cubed") is a public-private partnership created by the State to spur economic development and job growth in the Commonwealth through support for large-scale private real estate development projects with significant new public infrastructure requirements. The program is administered by the Secretary of Administration and Finance and the Commissioner of the Department of Revenue in partnership with the Massachusetts Development Financing Agency (MassDevelopment).

The concept behind this financing program is that new state tax revenues generated from the private economic development project will cover the costs of the public infrastructure improvements needed to support the project. The project will further benefit the municipality through increased commercial property values and real estate tax revenues. The investment in public infrastructure is financed through bonds issued by MassDevelopment. A cost and risk sharing agreement is arranged between the Commonwealth, the Municipality, and the private developer.

The projected annual new state tax revenues must be at least 1.5 times greater than the projected annual debt service on the related bonds. The general categories of state tax revenues taken into account for purposes of the I-Cubed program includes, but is not limited to, personal income taxes on wages and partnership distributions, sales taxes, and hotel/motel room occupancy excise taxes, subject to certain exclusions.

The Commonwealth must have a high degree of confidence that the economic development project will generate state tax revenues that are new for the state or that would be lost to the state if not for the project. If the new state tax revenues are insufficient to cover the related debt service on the bonds, the Municipality will be required to reimburse the Commonwealth for the amount of the shortfall. The Commonwealth works in partnership with municipalities with proposed economic development districts to ensure that there is a common understanding of the benefits and risks of a proposed economic development project and agreement about whether to approve projects for I-Cubed financing.

In 2014, the City of Newton, along with New England Development Corporation (the developers of Chestnut Hill Square) entered into an agreement with the State for the State to fund \$10,000,000 of improvements on Route 9 through the I-Cubed program.

Because interest rates are at an all-time low, the Commonwealth is in the process of "refunding" (or refinancing) the 30-year bond that it sold in 2014 for this project. This refunding is expected to reduce total payments on the bond by approximately \$1.8 million.

The Chestnut Hill Square project has been very successful financially and has currently generated \approx \$2 million more in New Tax Revenues than has been required for the State to pay the annual bond payments. This \approx \$2 million of Surplus New State Tax Revenues shall continue to accrue and shall remain available with respect to the bonds related to the Chestnut Hill Square Project. Additionally, the City remains the custodian of \$1.1 million in cash deposited by the developer as a Liquidity Reserve should new state tax revenues be insufficient to cover the debt service in any given year.

This is a "good news" story for the City. In addition to the \$1.1 million Liquidity Reserve, and the \$2 million Surplus New State Tax Revenue, our financial exposure will be reduced by \$1.8 million.

I will be happy to discuss this further at the Finance Committee meeting on November 23rd.