

# MEMORANDUM

To: CalHFA Board of Directors

Date: May 10, 2018

Donald Cavier, Chief Deputy Director  
From: CALIFORNIA HOUSING FINANCE AGENCY

Subject: Agenda Item: Proposed Strategic Business Plan & Operating Budget for Fiscal Year 2018-19

## Background

Every January and February the Agency's senior staff meet in a series of off-site business planning sessions designed to review the organization's performance against the current year business plan, assess current market trends and to use those discussions to develop the proposed business plan for the coming fiscal year. Directly following the business planning sessions, each department is tasked with the development of a departmental budget that supports the achievement of the goals and strategic initiatives outlined in the Agency's proposed business plan. In April, staff conducted a mid-year business plan update and policy workshop with the Board in which staff reported the results of operations through 12/31/2017, updated projections for the remainder of the current fiscal year, and provided the Board with information regarding possible initiatives for the coming fiscal year. The mid-year results and revised projections for the current fiscal year were outlined in a detailed Board report and program staff presented additional program specific information followed by a question and answer session with the Board.

For fiscal year 2017-18 Single Family Lending targeted \$1.5 billion in 1st mortgage loan purchases and \$108 million in loans for down payment assistance (DPA) and closing costs. At mid-year, 1st mortgage loan purchases were \$990 million or 66% of business plan objectives, and are expected to reach \$1.6 billion in 1st mortgage purchases and \$110 million in subordinate lending for down payment assistance (DPA) and closing costs by the end of the fiscal year. The revenue targets for the Single Family Lending programs were \$19.5 million in fee income. At mid-year, fee income generated from the program was \$14 million or 72% of our original goal and is expected to reach \$22.5 million by the end of the fiscal year. Revenues attained from fees and repayments will be used to support future affordable housing lending and operational costs of the Agency.

Multifamily Lending targeted \$530 million in lending activity and \$15.7 million in present value revenue for Fiscal Year 2017-18:

- \$200 million in 1st Lien Lending
- \$300 million in Conduit Issuance
- \$30 million in Special Needs Housing Program (SNHP)

At mid-year, with the increase in interest rates and the uncertainties plaguing the tax credit markets and the HUD/FFB Risk Share program, Multifamily lending activity and revenues were trailing original expectations having financed \$196.4 million in lending transactions resulting in 772 affordable housing units (\$74 million in first lien loans, \$116 million in conduit issuance and \$6.4 million in Special Needs Housing Program loans). While we have not had many projects fallout at this point, several of our pipeline projects have delayed their closings for a variety of factors including financing gaps created by the rise in interest rates and reductions in anticipated tax credit pricing. However, we believe that the multifamily projects set to close in the second half of the year will narrow the shortfall. Revised projections indicate we will close approximately \$402 million in total lending volume or 76% of our original goal, and present value revenues are expected to reach \$12.5 million or 80% of our original goal.

Additional highlights from the first half of the fiscal year 2017-18 include:

- Implemented one-on-one homebuyer counseling to promote sustainable homeownership
- Continued partnership with non-profit counselor of financial literacy
- Expanded single family product line to include Veterans Administration (VA) loans and FHA-insured manufactured housing
- Realigned the Single Family Lending and Loan Servicing divisions to improve production efficiency
- Created a Naturally Occurring Affordable Housing (NOAH) multifamily loan program to preserve naturally affordable units in opportunity areas
- Improved the functionality and flexibility of the in-house Mortgage Access System used by Single Family Lending
- Expanded our credit facility with the Federal Home Loan Bank (FHLB) of San Francisco from \$100 million to \$200 million for Single Family lending
- Successfully renewed letters of credit supporting variable rate demand obligations

- Negotiated extension of administrative services contract for legacy mortgage insurance activities
- Implemented new hedging and delivery strategies to achieve a lower cost structure and more competitive lending rates
- Moody's upgraded CalHFA's overall issuer credit rating from A2 stable outlook to A1 positive outlook and reaffirmed the A1 rating for the Multifamily Housing Revenue Bonds III indenture while revising the outlook from stable to positive
- Partially completed the streamlining of the Agency's contracting process by implementing electronic workflows for the initiation of the procurement and contracting processes
- Published CalHFA's first Comprehensive Annual Financial Report (CAFR) and Popular Annual Financial Report (PAFR) and submitted them to the Government Finance Officers Association for financial reporting awards
- Completed phase two of the Microsoft Dynamics Great Plains (GP) financial accounting system by automating the procurement and budgetary reporting processes
- Launched a disaster recovery site to replicate data on the Agency's critical servers
- Filled key senior management vacancies including the Director of Enterprise Risk Management (ERM), the Risk Manager, the Director of Multifamily Programs, the Director of Homeownership, the Director of Financing and the Director of Administration

With the accomplishments of the current fiscal year as a back drop, the Agency submits the following proposed fiscal year 2018-19 business plan for Board approval:

### **Business Plan**

The proposed Strategic Business Plan consists of the following four goals for the Agency:

1. Increase the Agency's future income and equity position by expanding Single Family and Multifamily lending activities consistent with State housing needs
2. Continue to improve operational efficiencies through the use of technology, workforce planning and the implementation of best practices

3. Collaborate with other housing entities, lenders both public and private, and stakeholders to deliver effective and innovative housing solutions
4. Help prevent avoidable foreclosures by providing assistance to eligible homeowners who have financial hardship

The Business Plan was informed by the Agency's mid-year performance and revised projections for fiscal year 2017-18, internal analysis of operational requirements needed to advance business planning goals, the successes and lessons learned during the current fiscal year, and the changes in the political environment and financial markets. As a part of the business plan and budget, we have incorporated resource projections to provide a complete picture of how the Agency funds its operations and to demonstrate that the resources coming into the Agency are sufficient to support the cost of operations.

Below are highlights of the proposed fiscal year 2018-19 Business Plan which supports the four goals outlined above. For the full plan, including detailed action items, please refer to Attachment 6A.

### Single Family Lending

- Targeting \$1.5 billion in 1st mortgage loan purchases estimated to generate \$16.5 million in revenue
- Targeting \$56 million in MyHOME subordinate loans for down payment assistance resulting in \$2.8 million in administrative fees and
- Targeting \$56 million in Zero Interest Program (ZIP) subordinate loans for closing cost assistance resulting in an estimated present value of \$35 million
- Research and implement a new refinance program, conventionally-insured loans for manufactured housing and loan products for Indian Reservations.
- Track and potentially implement Fannie Mae's program developments under its Duty to Serve mandates

### Multifamily Lending

- Targeting \$150 million in 1<sup>st</sup> lien lending, \$250 million in conduit issuance and \$15 million in Special Needs Housing Program (SNHP) lending
- Targeting \$12 million in present value revenue generation for all Multifamily programs

- Continue to expand efforts with Naturally Occurring Affordable Housing, extend presence in rural areas and to build partnerships with localities, Community Development Financial Institutions and private banks
- Develop “Missing Middle” and “Mixed Income” Multifamily lending options using funding from Senate Bill 2, Building Homes and Jobs Act

### Financial Position

- Renew letters of credit for variable rate demand obligation bonds
- Work with our partners at the Federal Home Loan Bank of San Francisco to expand the use and eligible collateral on our credit facility to include multifamily loans

### Operational Efficiencies

- Complete Phase III of the upgrade to the Agency’s Financial System (GP) to enhance the efficiency of fiscal and budgetary operations and to automate manual processes
- Implement a new multifamily loan servicing system and analyze the efficacy and opportunity for deploying new systems for multifamily loan origination and asset management activities
- Fill key senior management vacancies including the General Counsel, the Director of Legislation and the Director of Business and Governmental Affairs

### Risk Mitigation

- Standardize data & reporting and evaluate opportunities to improve systems and applications to support CalHFA business units

### Opportunities for CA Housing Needs

- Research and implement intergovernmental agreements to share performance and compliance data on regulated loans
- Continue to monitor state & federal policy and advocate with U.S. Treasury for continued support of Federal Financing Bank (FFB) financing program

### Keep Your Home California

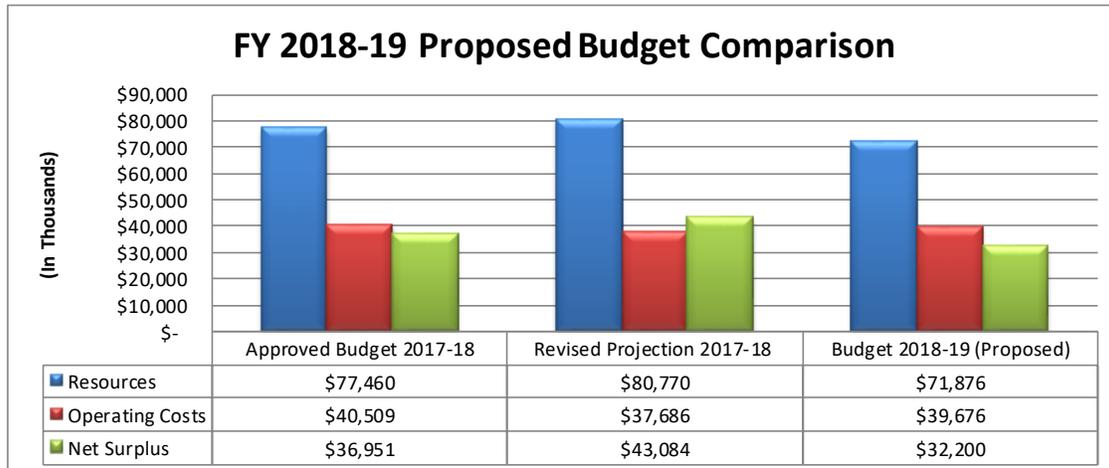
- Ensure remaining funds are allocated and develop management plans for closure of the Central Processing Center and available post-closure funds

## Budget Summary

With the above Business Plan in mind, the proposed budget for fiscal year 2018-19 was developed to provide the resources needed to achieve the goals of the business plan. The following charts provide a summary of the estimated resources for the fiscal year and how those resources will be deployed. Staff anticipates that resources will exceed operating costs by approximately \$32 million. Any surplus funds will be used to support future affordable housing lending and operational costs of the Agency. In order to implement and deliver on the goals and activities outlined in the Agency's strategic business plan, staff is recommending adoption of an operating budget of \$39.6 million, of which \$28.3 million will be used for personal services and \$11.3 million for operating expenses and equipment. The table below reflects the Agency's proposed fiscal year

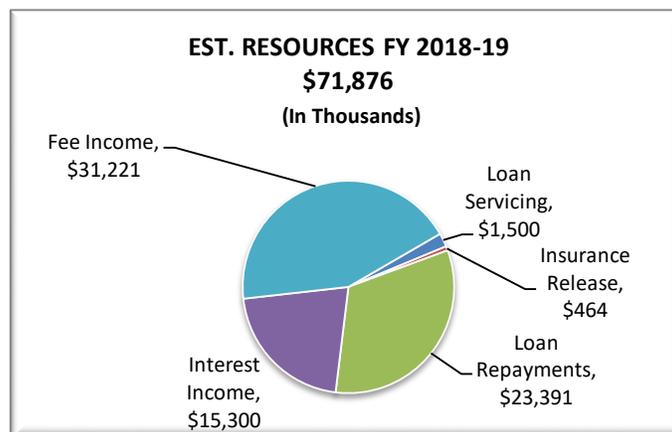
<b>CALIFORNIA HOUSING FINANCE AGENCY</b>							
<b>Fiscal Year 2018-19 BUDGET</b>							
<b>(IN THOUSANDS)</b>							
	<b>Adopted Budget 2014-15</b>	<b>Adopted Budget 2015-16</b>	<b>Adopted Budget 2016-17</b>	<b>Adopted Budget 2017-18</b>	<b>Proposed Budget 2018-19</b>	<b>Variance FY 17/18 to FY 18/19</b>	
<b>RESOURCES</b>							
Loan Servicing	3,000	2,067	1,953	2,200	1,500	(700)	-32%
Insurance Release	942	813	643	513	464	(49)	-10%
Loan Repayments	19,744	18,997	21,099	25,524	23,391	(2,133)	-8%
Interest (mortgages/securities/cash)	14,774	10,298	13,559	13,611	15,300	1,689	12%
Fee Income	11,314	27,582	24,972	35,612	31,221	(4,391)	-12%
Extraordinary Items		2,803	2,999	-	-	-	0%
<b>TOTALS</b>	<b>\$ 49,774</b>	<b>\$ 62,560</b>	<b>\$ 65,225</b>	<b>\$ 77,460</b>	<b>\$ 71,876</b>	<b>\$ (5,584)</b>	<b>-7%</b>
<b>OPERATING BUDGET</b>							
Salaries and Benefits	29,984	29,596	29,683	29,131	28,642	(489)	-2%
Reimbursements	(496)	(534)	(599)	(512)	(523)	(11)	2%
Temp Services/Other	633	724	526	291	230	(61)	-21%
<i>Personal Services</i>	<b>30,121</b>	<b>29,786</b>	<b>29,610</b>	<b>28,910</b>	<b>28,349</b>	<b>(561)</b>	<b>-2%</b>
General Expense	677	641	694	827	722	(105)	-13%
Communications	497	499	414	440	417	(23)	-5%
Travel	390	414	480	553	597	44	8%
Training	134	160	175	203	209	6	3%
Facilities Operation	3,084	3,100	2,825	2,919	2,974	55	2%
Consulting & Professional Services	4,893	4,458	3,861	3,460	3,008	(452)	-13%
Central Administrative Services	2,312	2,960	2,624	2,254	2,317	63	3%
Information Technology	663	602	854	813	953	140	17%
Equipment	120	130	130	130	130	-	0%
<i>Operating Expenses</i>	<b>12,770</b>	<b>12,964</b>	<b>12,057</b>	<b>11,599</b>	<b>11,327</b>	<b>(272)</b>	<b>-2%</b>
<b>TOTALS</b>	<b>\$ 42,891</b>	<b>\$ 42,750</b>	<b>\$ 41,667</b>	<b>\$ 40,509</b>	<b>\$ 39,676</b>	<b>\$ (833)</b>	<b>-2%</b>
<b>NET SURPLUS/(EXPENDITURE)</b>	<b>\$ 6,883</b>	<b>\$ 19,810</b>	<b>\$ 23,558</b>	<b>\$ 36,951</b>	<b>\$ 32,200</b>	<b>(4,751)</b>	<b>-13%</b>

The next chart provides a summary comparison of the adopted budget and the projected results of fiscal year 2017-18 with the proposed fiscal year 2018-19 budget. The projected resources for fiscal year 2017-18 are higher than originally anticipated primarily due to accelerated loan repayments, increased fee income from Single Family Lending, and from unexpected Multifamily loan repayments.



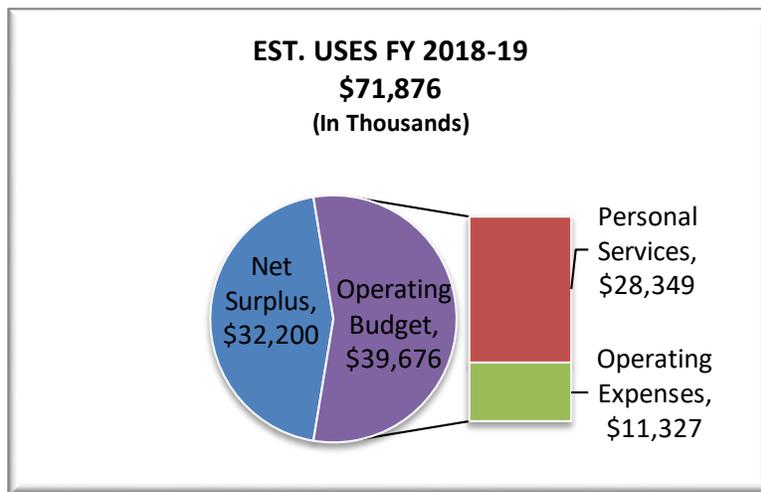
### Resources

Agency resources are primarily generated from loan origination fees, principal and interest payments on loans, compliance monitoring fees, etc. While the Agency still has some reliance on legacy resources to cover operating costs, the rapid growth of our lending programs is steadily changing that dynamic. Fee income from Single Family Lending continues to be strong as loan volume consistently exceeds \$1.5 billion annually. Additionally, despite the fits and starts of our Multifamily programs, the marketplace is still responding positively to our loan products. Although our goals in fiscal year 2017-18 fell short, the Multifamily program’s performance is continuing to improve. For fiscal year 2018-19, resources available to cover operating costs are expected to be \$71.9 million and are estimated to exceed operating costs by \$32.2 million.

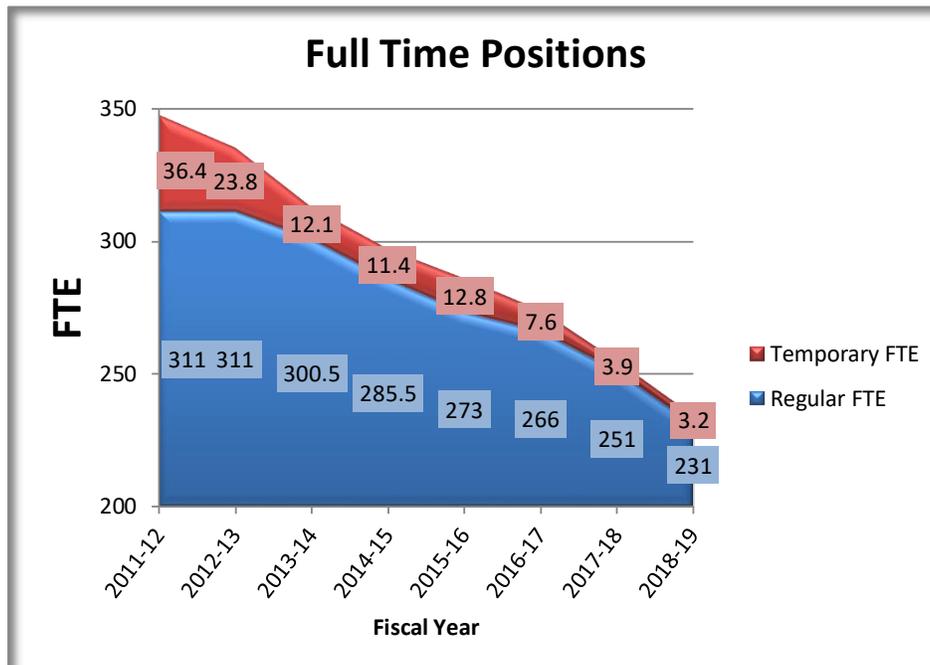


## Operating Budget

The Agency proposes a balanced operating budget in the amount of \$39.7 million for fiscal year 2018-19. The proposed budget represents a decrease of \$833 thousand or 2% percent in appropriations compared with the prior year. The decrease in annual appropriations reflects the net impact of changes in salaries, benefits and professional services costs. Specifically, the Agency reduced salary and benefit costs by eliminating 20 vacant full time equivalent (FTE) positions due to departmental realignments that have streamlined processes and improved staff utilization. The salary and benefit savings from these reductions were largely offset by increases in the costs for employee pensions, medical costs and post-retirement medical benefits. The strategic reduction in staffing levels has helped hold salary and benefits costs static despite the rising costs of employee benefits which will continue to grow over the coming years as CalPERS attempts to recalibrate their discount rates and the required employer contributions. Similarly, consulting and professional services costs are down 13% due to departmental realignments which have allowed for elimination of unneeded contracts. The Agency's general expenses have decreased due in part to the automation of previously manual processes that have reduced mail and supply costs. Appropriations for travel and training have been increased 8% respectively to accommodate for Single Family lender training and workforce planning initiatives to improve staff development, retention and succession planning.



For fiscal year 2018-19, the Agency is proposing that authorized full time equivalent positions be reduced from 254.9 FTE to 234.2 FTE (231 regular positions and 3.2 temporary positions), a net reduction of 20.7 positions compared with prior year. The following table illustrates the changes in the approved FTE since fiscal year 2011-12:



The Board's approval is requested for the Strategic Business Plan and Operating Budget, along with the accompanying resolutions.

### Attachments

- 6-A FY 2018-19 Proposed Business Plan
- 6-B FY 2018-19 Proposed CalHFA Operating Budget:
  1. Consolidated CalHFA and MIS Operating Budget
  2. CalHFA Operating Budget
  3. MIS Operating Budget
  4. Summary of Personnel and Division Budgets
  5. Summary of Personnel and Salaries by Division
  6. 2245 CA Housing Finance Agency – Position/Salary Detail
  7. Out of State Travel
  8. Schedule of Contracts
- 6-A Business Plan Resolution 18-21
- 6-B Operating Budget Resolution 18-22

## CalHFA Strategic Business Plan FY 2018-19

**Mission:** To create and finance progressive housing solutions so more Californians have a place to call home.

**Goals of Organization:**

- CalHFA:** 1) Increase the Agency's future income and equity position by expanding single family and multifamily lending activities consistent with State housing needs  
 2) Continue to improve operational efficiencies through the use of technology, workforce planning and the implementation of best practices  
 3) Collaborate with other housing entities, lenders both public and private, and stakeholders to deliver effective and innovative housing solutions  
**KYHC:** 4) Help prevent avoidable foreclosures by providing assistance to eligible homeowners who have financial hardship and/or significant negative equity

**Strategy**

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BUSINESS PLAN GOALS	KEY STRATEGIES	ACTION ITEMS		Due Dates / Status	Multi-Year Effort?	Item Owner		
Increase the Agency's future income and equity position by expanding single family and multifamily lending activities consistent with State housing needs	<b>1 Generate income via single family lending opportunities while promoting sustainability and covering broad income and housing needs.</b>	<b>A</b>	Generate <b>\$1.5</b> billion in 1st mortgage loan purchases; <b>5,600</b> homebuyers	6/30/2019	N	HO		
			Generate <b>\$16.5</b> million in revenue for Single Family Lending	6/30/2019	N	HO		
		<b>B</b>	Generate <b>\$56</b> million in MyHOME subordinate loans for down payment assistance	6/30/2019	N	HO		
			Generate <b>\$2.8</b> million in administrative fees from MyHOME Subordinate Loans	6/30/2019	N	HO		
		<b>C</b>	Generate <b>\$56</b> million in Zero Interest Program (ZIP) subordinate loans for closing cost assistance resulting in an estimated present value of \$35 million	6/30/2019	N	HO		
		<b>D</b>	Research and implement a single family refinance program	6/30/2019	N	HO		
		<b>E</b>	Implement Fannie Mae's manufactured housing loan product	6/30/2019	N	HO		
		<b>F</b>	Implement FHA's loan program (HUD 184) for Indian Reservations	6/30/2019	N	HO		
		<b>Prior Fiscal Year Carry Forward (% Complete or Continuous Initiatives)</b>				<b>Progress</b>		
		<b>G</b>	Continue partnership with provider of financial literacy counseling	Continuous	Y	HO		
	<b>H</b>	Track and potentially implement Fannie Mae's program developments under its Duty to Serve mandates	Continuous	Y	HO			
	<b>2 Generate income via multifamily lending opportunities while addressing funding gaps in the capital market.</b>	<b>A</b>	Generate <b>\$150</b> million in 1st lien lending; <b>24</b> deals	6/30/2019	N	MF		
			Generate <b>\$9.8</b> million in revenue through 1st lien lending	6/30/2019	N	MF		
		<b>B</b>	Generate <b>\$250</b> million in conduit issuance; <b>15</b> deals	6/30/2019	N	MF		
			Generate <b>\$0.8</b> million in revenue through conduit issuance	6/30/2019	N	MF		
		<b>C</b>	Generate <b>\$15</b> million in SNHP allocations and loans; <b>10</b> projects	6/30/2019	N	MF		
			Generate <b>\$1.3</b> million in revenue through SNHP allocations and loans	6/30/2019	N	MF		
		<b>D</b>	Research surplus state land opportunities	FY2019/20	Y	MF		
		<b>E</b>	Research and implement lending opportunities for Rural; CDFI; small loans	FY2019/20	Y	MF		
		<b>F</b>	Develop and implement lending programs using funds from Senate Bill 2 for mixed income and missing middle	FY2019/20	Y	MF		
		<b>Prior Fiscal Year Carry Forward (% Complete or Continuous Initiatives)</b>				<b>Progress</b>		
	<b>G</b>	Continue to explore ways to increase lending capacity through partnerships with localities, CDFIs, and private banks; reputation building & outreach	Continuous	Y	MF/ED			
	<b>H</b>	Expand capital resources and delivery options for Multifamily lending activities	Continuous	Y	MF/FIN			
	<b>I</b>	Create lending programs and partnerships to preserve naturally occurring affordable housing (NOAH)	50	Y	MF			
	<b>3 Strengthen Agency financial position by expanding credit facilities and maximizing return on equity.</b>	<b>A</b>	Expand uses and eligible collateral on the Federal Home Loan Bank of San Francisco credit facility to include Multifamily loans	FY2019/20	Y	FIN		
		<b>B</b>	Pursue new financial executions for lending areas that maximize the incremental value of loan originations	FY2019/20	Y	FIN		
		<b>Prior Fiscal Year Carry Forward (% Complete or Continuous Initiatives)</b>				<b>Progress</b>		
	<b>C</b>	Renew letter-of-credits supporting variable rate demand obligation bonds	Continuous	Y	FIN			

BUSINESS PLAN GOALS	KEY STRATEGIES	ACTION ITEMS		Due Dates / Status	Multi-Year Effort?	Item Owner	
Continue to improve operational efficiencies through the use of technology, workforce planning and the implementation of best practices	4 Increase Operational Efficiencies	A	Complete Phase III of the upgrade to the Agency's Financial System (GP) to enhance the efficiency of fiscal and budgetary operations and to automate manual processes	6/30/2019	N	FIS/FIN	
		B	Implement standardized asset management process; research alternative options for service delivery	6/30/2019	N	AM	
		C	Enhance budget preparation process and automate data upload into Microsoft GP	6/30/2019	N	ADM/FIS	
		D	Update agency policies and employee handbook, establish regular revision schedule	6/30/2019	N	ADM	
		E	Implement update to purchase subordinate loans more frequently	12/31/2018	N	HO/FIS	
		F	Fill key senior management vacancies including the General Counsel, the Director of Legislation and the Director of Business and Governmental Affairs	12/31/2018	N	ED/HR	
		G	Improve management reporting for Multifamily and Asset Management divisions	6/30/2019	N	MF/AM	
		H	Implement standardized asset management process and evaluate service delivery options	FY2019/20	Y	AM	
		<b>Prior Fiscal Year Carry Forward (% Complete or Continuous Initiatives)</b>			<b>Progress</b>		
		I	Continue to refine Agency operations by realigning staff resources (Fiscal Services, Loan Servicing, Single Family Lending, Executive office, etc.) to meet current business environment	Continuous	Y	ADM/FIS HO/ED	
		J	Implement a formal workforce planning strategy based upon the workforce plan developed in FY 2016-17 and provide training to business units	Continuous	Y	ADM	
		K	Continue to decrease external storage costs by eliminating 5,000 boxes stored offsite	 60	Y	ADM	
		L	Implement a formal new employee orientation program	 25	Y	ADM	
		M	Determine viability to automate timecard processing	 25	Y	ADM / IT	
		N	Complete changes to the Debt Management System (DMS) to eliminate manual processes	 25	Y	FIN/FIS	
		O	Research and implement a new multifamily loan servicing system and analyze the efficacy and opportunity for deploying new systems for multifamily loan origination and asset management activities	 50	Y	MF/AM/FIS	
		5 Continuously monitor and employ long-term strategies to mitigate enterprise risks.	A	Continuously evaluate and seek opportunities to improve systems and applications to support CalHFA business units. Implement electronic workflows, etc. where appropriate	Continuous	Y	IT/ERM
			B	Improve and standardize data & reporting	Continuous	Y	IT/ERM
Collaborate with other housing entities, lenders both public and private, and stakeholders to deliver effective and innovative housing solutions	6 Increase opportunities to meet California's affordable housing needs	A	Develop CalHFA ADU pilot program in collaboration with localities and other State partners	6/30/2019	N	HO	
		B	Research and implement intergovernmental agreements to share performance and compliance data on regulated loans	FY2019/20	Y	AM	
		<b>Prior Fiscal Year Carry Forward (% Complete or Continuous Initiatives)</b>			<b>Progress</b>		
		C	Continue to explore opportunities for a permanent source of down payment assistance to support financing of affordable homeownership	Continuous	Y	ED/HO	
		D	Provide technical assistance to legislature and others regarding affordable housing	Continuous	Y	ED	
		E	Continue to monitor state & federal policy regarding affordable housing programs	Continuous	Y	ED	
		F	Advocate with US Treasury for continued support of Multifamily Federal Financing Bank Risk-Share program	 50	Y	ED/MF	
G	Research Self-Help housing needs through stakeholder engagement	 50	Y	ED/HO			
Help prevent avoidable foreclosures by providing assistance to eligible homeowners who have financial hardship	7 Keep Your Home California program	A	Ensure remaining available funds are allocated to eligible homeowners	9/30/2018	N	KYHC	
		B	Develop plan for management of program after closure of Central Processing Center	9/30/2018	N	KYHC	
		C	Determine use of resources and management plan for KYHC funds after program closure	12/31/2020	Y	KYHC	

May 10, 2018

CALIFORNIA HOUSING FINANCE AGENCY  
2018-19  
CONSOLIDATED CALHFA AND MIS FUNDS OPERATING BUDGET  
(IN THOUSANDS)

<u>EXPENDITURE ITEM</u>	Adopted Budget	Actual	Adopted Budget	Projected Actual	Proposed Budget
	<u>2016-17</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2017-18</u>	<u>2018-19</u>
<b>PERSONAL SERVICES</b>					
Salaries and Wages	\$20,874	\$20,874	\$21,319	\$21,319	\$20,432
Benefits	9,627	8,796	9,580	9,173	9,922
Estimated Savings (Vacancies)	(818)	(2,166)	(1,767)	(3,242)	(1,712)
Anticipated Salaries and Wages and Benefits	<u>29,683</u>	<u>27,504</u>	<u>29,132</u>	<u>27,250</u>	<u>28,642</u>
Temporary Help	430	499	223	370	184
Overtime	96	38	67	40	46
Reimbursements	(599)	(652)	(512)	(512)	(523)
<b>TOTALS, Personal Services</b>	<u><b>\$29,610</b></u>	<u><b>\$27,388</b></u>	<u><b>\$28,910</b></u>	<u><b>\$27,148</b></u>	<u><b>\$28,349</b></u>
<b>OPERATING EXPENSES AND EQUIPMENT</b>					
General Expense	694	697	827	715	722
Communications	414	339	440	415	417
Travel	480	388	553	515	597
Training	175	106	203	175	209
Facilities Operation	2,825	2,703	2,919	2,919	2,974
Consulting & Professional Services*	3,861	2,448	3,460	2,750	3,008
Central Admin. Serv.**	2,624	2,598	2,253	2,254	2,317
Information Technology	854	753	813	675	953
Equipment	130	110	130	120	130
<b>TOTALS, Operating Expenses and Equipment</b>	<u><b>\$12,057</b></u>	<u><b>\$10,140</b></u>	<u><b>\$11,599</b></u>	<u><b>\$10,538</b></u>	<u><b>\$11,327</b></u>
<b>TOTALS, EXPENDITURES</b>	<u><b>\$41,667</b></u>	<u><b>\$37,528</b></u>	<u><b>\$40,509</b></u>	<u><b>\$37,686</b></u>	<u><b>\$39,676</b></u>

\*Historical Strategic Project Contracts moved to and included in Consulting & Professional Services

\*\*Represents CalHFA's allocated share of the State's central administrative costs.

May 10, 2018

CALIFORNIA HOUSING FINANCE AGENCY  
2018-19  
CALHFA FUND OPERATING BUDGET  
(IN THOUSANDS)

<u>EXPENDITURE ITEM</u>	Adopted Budget	Actual	Adopted Budget	Projected Actual	Proposed Budget
	<u>2016-17</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2017-18</u>	<u>2018-19</u>
<b>PERSONAL SERVICES</b>					
Salaries and Wages	\$20,874	\$20,874	\$21,319	\$21,319	\$20,432
Benefits	9,627	8,796	9,580	9,173	9,922
Estimated Savings (Vacancies)	(818)	(2,166)	(1,767)	(3,242)	(1,712)
Anticipated Salaries and Wages and Benefits	<u>29,683</u>	<u>27,504</u>	<u>29,132</u>	<u>27,250</u>	<u>28,642</u>
Temporary Help	430	499	223	370	184
Students/Retired Annuitants	250	200	161	190	154
Contract	180	299	62	180	30
Overtime	96	38	67	40	46
Reimbursements	(599)	(652)	(512)	(512)	(523)
KYHC (Outside Funding)	(\$599)	(\$491)	(\$512)	(\$512)	(\$523)
HCD	\$0	(\$89)	\$0	\$0	\$0
Caltrans	\$0	(\$72)	\$0	\$0	\$0
<b>TOTALS, Personal Services</b>	<u>\$29,610</u>	<u>\$27,388</u>	<u>\$28,910</u>	<u>\$27,148</u>	<u>\$28,349</u>
<b>OPERATING EXPENSES AND EQUIPMENT</b>					
General Expense	586	589	711	599	722
Communications	414	339	440	415	417
Travel	480	388	553	515	597
Training	175	106	203	175	209
Facilities Operation	2,825	2,703	2,919	2,919	2,974
Consulting & Professional Services*	3,835	2,417	3,435	2,725	3,008
Central Admin. Serv.**	2,616	2,590	2,242	2,246	2,317
Information Technology	854	753	813	675	953
Equipment	130	110	130	120	130
<b>TOTALS, Operating Expenses and Equipment</b>	<u>\$11,915</u>	<u>\$9,993</u>	<u>\$11,447</u>	<u>\$10,389</u>	<u>\$11,327</u>
<b>TOTALS, EXPENDITURES</b>	<u><b>\$41,525</b></u>	<u><b>\$37,381</b></u>	<u><b>\$40,357</b></u>	<u><b>\$37,537</b></u>	<u><b>\$39,676</b></u>

\*Historical Strategic Project Contracts moved to and included in Consulting & Professional Services

\*\*Represents CalHFA's allocated share of the State's central administrative costs.

May 10, 2018

CALIFORNIA HOUSING FINANCE AGENCY  
2018-19  
MIS FUND OPERATING BUDGET  
(IN THOUSANDS)

<u>EXPENDITURE ITEM</u>	Adopted Budget	Actual	Adopted Budget	Projected Actual	Proposed Budget
	<u>2016-17</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2017-18</u>	<u>2018-19</u>
<b>PERSONAL SERVICES</b>					
Salaries and Wages	\$0	\$0	\$0	\$0	\$0
Benefits	0	0	0	0	0
Estimated Savings (Vacancies)	0	0	0	0	0
Anticipated Salaries and Wages and Benefits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Temporary Help	0	0	0	0	0
Students/Retired Annuitants	0	0	0	0	0
Contract	0	0	0	0	0
Overtime	0	0	0	0	0
Reimbursements	0	0	0	0	0
<b>TOTALS, Personal Services</b>	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>
<b>OPERATING EXPENSES AND EQUIPMENT</b>					
General Expense	108	108	116	116	0
Communications	0	0	0	0	0
Travel	0	0	0	0	0
Training	0	0	0	0	0
Facilities Operation	0	0	0	0	0
Consulting & Professional Services*	26	31	25	25	0
Central Admin. Serv.**	8	8	11	8	0
Information Technology	0	0	0	0	0
Equipment	0	0	0	0	0
<b>TOTALS, Operating Expenses and Equipment</b>	<u><b>\$142</b></u>	<u><b>\$147</b></u>	<u><b>\$152</b></u>	<u><b>\$149</b></u>	<u><b>\$0</b></u>
<b>TOTALS, EXPENDITURES</b>	<u><b>\$142</b></u>	<u><b>\$147</b></u>	<u><b>\$152</b></u>	<u><b>\$149</b></u>	<u><b>\$0</b></u>

\*Historical Strategic Project Contracts moved to and included in Consulting & Professional Services

\*\*Represents CalHFA's allocated share of the State's central administrative costs.

May 10, 2018

CALIFORNIA HOUSING FINANCE AGENCY  
2018-19

SUMMARY  
PERSONNEL YEARS AND DIVISION BUDGETS

DIVISION	PERSONNEL YEARS			DIVISION BUDGET AMOUNTS		
	Actual 2016-17	Adopted Budget 2017-18	Proposed Budget 2018-19	Actual 2016-17	Adopted Budget 2017-18	Proposed Budget 2018-19
BOARD MEMBERS	0.0	0.0	0.0	\$27,576	\$87,450	\$76,150
EXECUTIVE OFFICE	7.0	10.0	9.0	\$1,334,616	\$2,321,252	\$2,219,638
ERM & C	0.0	0.0	13.0	\$0	\$0	\$2,211,655
ADMINISTRATION	17.8	26.0	23.0	\$1,857,028	\$2,743,257	\$3,245,626
FINANCING	9.3	9.0	6.0	\$1,483,642	\$1,483,705	\$1,175,802
MIS	0.0	0.0	0.0	\$147,200	\$152,140	\$0
FISCAL SERVICES	39.4	42.0	35.0	\$4,768,999	\$4,932,757	\$5,279,284
GENERAL COUNSEL	13.8	16.0	13.0	\$2,950,434	\$3,412,879	\$2,951,206
MARKETING	6.5	7.0	7.0	\$1,378,886	\$1,668,751	\$1,809,914
I.T.	18.3	21.0	20.0	\$3,475,263	\$4,085,003	\$4,859,544
SINGLE FAMILY LENDING	42.7	59.0	51.0	\$5,498,783	\$6,940,787	\$7,198,547
LOAN SERVICING	23.0	0.0	0.0	\$2,992,629	\$0	\$0 **
MULTIFAMILY	24.0	32.0	25.0	\$3,172,495	\$3,870,382	\$3,702,802
ASSET MANAGEMENT	25.2	29.0	29.0	\$3,269,040	\$3,485,321	\$4,510,967
INDIRECT COST POOL/TEMPS	8.3	3.9	3.2	\$5,823,228	\$5,836,915	\$958,351
REIMBURSEMENTS	-	-	-	(\$651,863)	(\$511,816)	(\$523,319)
TOTAL PYS AND BUDGET AMOUNTS	235.3	254.9	234.2	\$37,527,955	\$40,508,783	\$39,676,168

\*\* Loan Servicing is now consolidated in Single Family Lending

May 10, 2018

CALIFORNIA HOUSING FINANCE AGENCY  
2018-19

SUMMARY  
PERSONNEL YEARS AND SALARIES

DIVISION	PERSONNEL YEARS			SALARIES		
	Actual 2016-17	Adopted Budget 2017-18	Proposed Budget 2018-19	Actual 2016-17	Adopted Budget 2017-18	Proposed Budget 2018-19
BOARD MEMBERS	0.0	0.0	0.0	\$5,600	\$5,000	\$5,000
EXECUTIVE OFFICE	7.0	10.0	9.0	\$822,988	\$1,302,137	\$1,099,233
ERM & C	0.0	0.0	13.0	\$0	\$0	\$1,312,063
ADMINISTRATION	17.8	26.0	23.0	\$1,083,451	\$1,711,351	\$1,566,385
FINANCING	9.3	9.0	6.0	\$968,193	\$1,031,216	\$666,844
MIS	0.0	0.0	0.0	\$0	\$0	\$0
FISCAL SERVICES	39.4	42.0	35.0	\$2,805,252	\$3,061,011	\$2,713,021
GENERAL COUNSEL	13.8	16.0	13.0	\$1,678,821	\$1,832,631	\$1,542,383
MARKETING	6.5	7.0	7.0	\$499,445	\$570,018	\$584,525
I.T.	18.3	21.0	20.0	\$1,615,491	\$1,896,624	\$1,957,851
SINGLE FAMILY LENDING	42.7	59.0	51.0	\$3,537,653	\$4,660,609	\$4,208,164
LOAN SERVICING	23.0	0.0	0.0	\$1,429,306	\$0	\$0 **
MULTIFAMILY	24.0	32.0	25.0	\$2,032,662	\$2,843,798	\$2,273,628
ASSET MANAGEMENT	25.2	29.0	29.0	\$2,000,155	\$2,404,413	\$2,503,255
TOTAL SALARIES	227.0	251.0	231.0	\$18,479,017	\$21,318,808	\$20,432,352
Temporary Help	8.3	3.9	3.2	\$498,619	\$223,000	\$184,000
Overtime	0.0	0.0	0.0	\$37,623	\$67,000	\$46,000
Salary Savings	0.0	0.0	0.0	\$0	(\$1,767,169)	(\$1,711,979)
NET SALARIES	235.3	254.9	234.2	\$19,015,259	\$19,841,639	\$18,950,374

\*\* Loan Servicing is now consolidated in Single Family Lending

## 2245 CALIFORNIA HOUSING FINANCE AGENCY

ORGANIZATIONAL UNIT  Classification	EXPENDITURES					
	Filled 2016-17	Authorized 2017-18	Proposed 2018-19	Actual 2016-17  (Salary Range)	Budgeted 2017-18	Proposed 2018-19*
<b>OPERATIONS</b>						
<b>Executive Office</b>						
Executive Office:						
Board Members	-	-	-	100/day	\$5,000	\$5,000
Executive Director	1.0	1.0	1.0	12,875-18,025	210,342	218,756
Chief Deputy Director	1.0	1.0	1.0	11,868-16,308	196,691	204,559
Director of Enterprise Risk Mgt & Compliance	-	1.0	-	11,802-14,592	172,286	-
Director of Business & Governmental Affairs	-	1.0	1.0	11,802-14,592	172,286	150,000
Information Officer II	-	1.0	1.0	5,720-7,108	87,855	91,369
Assoc Govtl Prog Analyst	-	-	1.0	4,600-5,758	-	74,734
Adm Asst II	1.0	1.0	1.0	4,600-5,758	71,860	74,734
Legislative Office:						
Director of Legislation	1.0	1.0	1.0	11,802-14,592	167,602	150,000
Staff Services Mgr II	1.0	1.0	-	6,647-7,551	93,330	-
Assoc Govtl Prog Analyst	1.0	1.0	1.0	4,600-5,758	71,860	74,734
Adm Asst I	1.0	1.0	1.0	3,824-5,010	58,025	60,346
Totals, Executive Office	7.0	10.0	9.0	\$828,588	\$1,307,137	\$1,104,233
<b>Enterprise Risk Management &amp; Compliance</b>						
Director of Enterprise Risk Mgt & Compliance	-	-	1.0	11,802-14,592	-	179,177
Risk Manager	-	-	1.0	8,583-11,802	-	147,290
Credit Officer, C.E.A. A	-	-	1.0	6,647-9,555	-	122,824
Financing Ofcr	-	-	1.0	6,584-8,198	-	106,403
Housing Finance Ofcr	-	-	2.0	6,584-8,198	-	210,762
Staff Services Mgr II	-	-	1.0	6,647-7,551	-	97,063
Staff Services Mgr I	-	-	1.0	5,470-6,796	-	87,359
Housing Finance Spec	-	-	3.0	5,053-6,325	-	246,280
Research Analyst I	-	-	1.0	3,377-5,230	-	65,270
Staff Services Analyst	-	-	1.0	2,945-4,788	-	49,633
Totals, Enterprise Risk Management & Compliance	-	-	13.0	\$0	\$0	\$1,312,063
<b>Administrative Division</b>						
Director of Administration, C.E.A. A	-	1.0	1.0	6,913-9,937	114,667	119,254
Budgets:						
Staff Services Mgr II	1.0	1.0	1.0	6,647-7,551	92,230	95,919
Assoc Govtl Prog Analyst	1.1	2.0	2.0	4,600-5,758	143,720	149,469
Staff Services Analyst	1.0	1.0	-	2,945-4,788	47,724	-
Business Services:						
Staff Services Mgr I	1.0	1.0	1.0	5,470-6,796	83,999	87,359
Assoc Govtl Prog Analyst	2.0	3.0	3.0	4,600-5,758	215,580	224,203
Staff Services Analyst	1.0	-	-	2,945-4,788	-	-
Business Service Assistant-Spec	1.0	1.0	1.0	2,609-3,992	49,820	51,813
Mgt Services Techn	1.0	1.0	1.0	2,609-3,690	46,051	47,893
Central Scan Facility:						
Info Systems Techn	1.0	1.0	-	2,593-4,024	40,922	-
Office Asst-Typing	-	3.0	4.0	2,241-3,043	108,462	151,907
Human Resources:						
Staff Services Mgr II	1.0	1.0	1.0	6,647-7,551	93,330	97,063
Staff Services Mgr I	1.3	2.0	1.0	5,470-6,796	167,416	87,056
Assoc Govtl Prog Analyst	1.3	2.0	2.0	4,600-5,758	143,720	149,469
Assoc Pers Analyst	2.8	3.0	2.0	4,600-5,758	215,579	149,468

\* Proposed salaries reflect anticipated general salary increases for bargaining units based on approved bargaining unit contracts

**2245 CALIFORNIA HOUSING FINANCE AGENCY**

ORGANIZATIONAL UNIT  Classification	EXPENDITURES					
	Filled 2016-17	Authorized 2017-18	Proposed 2018-19	Actual 2016-17  (Salary Range)	Budgeted 2017-18	Proposed 2018-19*
Office Techn-Typing	0.3	-	-	2,809-3,515	-	-
Pers Spec	1.0	1.0	1.0	2,720-4,380	56,029	59,727
Mgt Services Techn	-	2.0	2.0	2,609-3,690	92,102	95,786
<b>Totals, Administrative Division</b>	<b>17.8</b>	<b>26.0</b>	<b>23.0</b>	<b>\$1,083,451</b>	<b>\$1,711,351</b>	<b>\$1,566,385</b>
<b>Financing Division</b>						
Director	1.0	1.0	1.0	11,870-16,308	201,567	182,008
Risk Manager	-	1.0	-	8,583-11,802	141,625	-
Acctg Administrator III	1.0	1.0	1.0	7,301-8,289	102,452	106,550
Financing Ofcr	4.8	4.0	3.0	6,584-8,198	405,309	316,141
Housing Finance Ofcr	1.0	1.0	-	6,584-8,198	101,327	-
Financing Spec	1.0	1.0	-	5,053-6,325	78,936	-
Financing Assoc	0.5	-	-	4,600-5,758	-	-
Staff Services Analyst	-	-	1.0	2,945-4,788	-	62,144
<b>Totals, Financing Division</b>	<b>9.3</b>	<b>9.0</b>	<b>6.0</b>	<b>\$968,193</b>	<b>\$1,031,216</b>	<b>\$666,844</b>
<b>Fiscal Services Division</b>						
<b>Fiscal Services</b>						
Comptroller, C.E.A. B	1.0	1.0	1.0	9,255-11,024	130,208	135,416
Deputy Comptroller, C.E.A. A	0.6	1.0	1.0	6,647-9,555	101,683	105,750
Financial Reporting & Bond Administration:						
Acctg Administrator II	2.0	1.0	1.0	6,005-7,462	92,230	95,919
Acctg Administrator I-Spec	4.5	5.0	4.0	5,053-6,325	394,680	328,374
Assoc Acctg Analyst	1.0	2.0	2.0	4,829-6,048	150,958	156,996
Sr Acctg Officer-Spec	3.0	2.0	1.0	4,600-5,758	143,720	74,734
Fiscal Systems:						
Sr Adm Analyst-Acctg Sys	1.0	1.0	1.0	6,005-7,462	92,230	95,919
Assoc Adm Analyst-Acctg Sys	1.0	1.0	1.0	4,829-6,048	75,479	78,498
Single Family:						
Acctg Administrator II	0.4	1.0	1.0	6,005-7,462	92,230	95,919
Acctg Administrator I-Spec	1.0	1.0	-	5,053-6,325	78,936	0
Sr Acctg Officer-Spec	2.2	3.0	3.0	4,600-5,758	215,580	224,203
Acctg Officer-Spec	6.8	6.0	5.0	4,016-5,029	376,572	326,362
Accountant Trainee	0.7	1.0	1.0	3,388-4,040	50,419	52,436
Accountant I-Spec	1.3	1.0	-	3,000-3,757	46,887	0
Office Techn-Typing	-	1.0	-	2,809-3,515	43,867	0
Multifamily:						
Acctg Administrator II	0.1	1.0	1.0	6,005-7,462	92,230	95,919
Acctg Administrator I-Supvr	1.0	1.0	1.0	5,470-6,796	83,999	87,359
Acctg Administrator I-Spec	2.0	2.0	1.0	5,053-6,325	157,872	82,093
Assoc Acctg Analyst	-	1.0	1.0	4,829-6,048	75,479	78,498
Sr Acctg Officer-Spec	2.0	1.0	2.0	4,600-5,758	71,860	149,469
Acctg Officer-Spec	3.6	3.0	2.0	4,016-5,029	188,286	130,545
Operating:						
Acctg Administrator I-Supvr	1.0	1.0	1.0	5,470-6,796	83,999	87,359
Sr Acctg Officer-Spec	1.0	1.0	1.0	4,600-5,758	71,860	74,734
Acctg Officer-Spec	1.0	1.0	1.0	4,016-5,029	62,762	65,272
Accountant Trainee	0.2	-	-	3,388-4,040	-	0
Office Techn-Typing	-	1.0	2.0	2,809-3,515	43,867	91,243
Office Techn-Gen	1.0	1.0	-	2,758-3,455	43,118	0
<b>Totals, Fiscal Services</b>	<b>39.4</b>	<b>42.0</b>	<b>35.0</b>	<b>\$2,805,252</b>	<b>\$3,061,011</b>	<b>\$2,713,021</b>
<b>General Counsel Division</b>						
General Counsel	0.5	1.0	1.0	11,158-14,592	175,104	183,859

\* Proposed salaries reflect anticipated general salary increases for bargaining units based on approved bargaining unit contracts

**2245 CALIFORNIA HOUSING FINANCE AGENCY**

ORGANIZATIONAL UNIT  Classification	EXPENDITURES					
	Filled 2016-17	Authorized 2017-18	Proposed 2018-19	Actual 2016-17  (Salary Range)	Budgeted 2017-18	Proposed 2018-19*
Asst Chief Counsel	2.4	3.0	2.0	11,274-13,188	498,506	348,954
Office Techn-Typing	-	1.0	-	2,809-3,515	43,867	-
Records Management:						
Staff Services Mgr I	0.5	-	-	5,470-6,796	-	-
Assoc Govtl Prog Analyst	0.5	-	-	4,600-5,758	-	-
Single Family:						
Attorney III	0.9	2.0	1.0	8,434-10,820	272,664	143,149
Attorney I	-	1.0	1.0	5,130-8,938	112,619	118,250
Housing Finance Spec	1.0	1.0	1.0	5,053-6,325	78,936	82,093
Multifamily/Asset Management:						
Attorney III	4.0	2.0	2.0	8,434-10,820	272,664	286,297
Attorney I	-	1.0	1.0	5,130-8,938	112,619	118,250
Housing Finance Spec	2.0	2.0	2.0	5,053-6,325	157,872	164,187
Legal Analyst	-	1.0	-	4,016-5,029	60,980	-
Legal Asst	1.0	-	-	3,540-4,432	-	-
Staff Services Analyst	1.0	1.0	2.0	2,945-4,788	46,800	97,344
Totals, General Counsel Division	<u>13.8</u>	<u>16.0</u>	<u>13.0</u>	<u>\$1,678,821</u>	<u>\$1,832,631</u>	<u>\$1,542,383</u>
<b>Marketing Division</b>						
C.E.A. A	0.8	1.0	1.0	6,647-9,555	118,100	122,824
Sr Info Systems Analyst-Supvr	0.2	-	-	6,299-8,280	-	-
Information Officer II	2.0	2.0	2.0	5,720-7,108	176,946	184,024
Information Technology Associate	1.0	1.0	2.0	3,728-6,604	79,248	164,836
Information Officer I	0.5	1.0	1.0	4,600-5,758	64,634	67,219
Graphic Designer III	1.0	1.0	-	4,565-5,716	71,336	-
Staff Services Analyst	1.0	1.0	-	2,945-4,788	59,754	-
Office Techn-Typing	-	-	1.0	2,809-3,515	-	45,622
Totals, Marketing Division	<u>6.5</u>	<u>7.0</u>	<u>7.0</u>	<u>\$499,445</u>	<u>\$570,018</u>	<u>\$584,525</u>
<b>Information Technology Division</b>						
Chief Information Officer	1.0	1.0	1.0	8,583-11,802	141,625	147,290
Application Systems Development & Support:						
Information Technology Supervisor II	-	-	1.0	6,426-8,611	-	107,465
Information Technology Specialist I	-	-	4.0	4,921-7,962	-	397,463
Information Technology Associate	-	-	3.0	3,728-6,604	-	247,254
Sr Programmer Analyst-Supvr	1.0	1.0	-	6,299-8,280	102,341	-
Sr Programmer Analyst-Spec	3.0	3.0	-	5,824-7,655	286,603	-
Staff Programmer Analyst-Spec	1.0	3.0	-	5,295-6,963	243,360	-
Assoc Programmer Analyst-Spec	1.9	1.0	-	4,829-6,350	66,444	-
Security Administration & Workstation Support:						
Information Technology Supervisor II	-	-	1.0	6,426-8,611	-	107,465
Information Technology Specialist I	-	-	1.0	4,921-7,962	-	99,366
Information Technology Associate	-	-	2.0	3,728-6,604	-	164,836
Data Processing Manager II	1.0	1.0	-	6,298-8,279	102,328	-
Staff Info Systems Analyst-Spec	1.0	1.0	-	5,295-6,963	86,898	-
Assoc Info Systems Analyst-Spec	1.0	3.0	-	4,829-6,350	224,097	-
Asst Info Systems Analyst	1.0	-	-	3,247-5,280	-	-
Technical Support Services						
Information Technology Supervisor II	-	-	1.0	6,426-8,611	-	107,465
Information Technology Specialist I	-	-	5.0	4,921-7,962	-	496,829
Information Technology Associate	-	-	1.0	3,728-6,604	-	82,418
Systems Software Spec III-Supvr	1.0	1.0	-	6,909-9,082	112,254	-
Systems Software Spec II-Tech	1.5	2.0	-	5,814-7,642	190,744	-

\* Proposed salaries reflect anticipated general salary increases for bargaining units based on approved bargaining unit contracts

**2245 CALIFORNIA HOUSING FINANCE AGENCY**

ORGANIZATIONAL UNIT  Classification	EXPENDITURES					
	Filled 2016-17	Authorized 2017-18	Proposed 2018-19	Actual 2016-17  (Salary Range)	Budgeted 2017-18	Proposed 2018-19*
Staff Info Systems Analyst-Spec	2.9	2.0	-	5,295-6,963	173,796	-
Systems Software Spec I-Tech	-	1.0	-	5,294-6,962	86,886	-
Assoc Info Systems Analyst-Spec	1.0	1.0	-	4,829-6,350	79,248	-
Totals, CalHFA Information Technology Division	18.3	21.0	20.0	\$1,615,491	\$1,896,624	\$1,957,851
Temporary Help	3.3	2.5	2.1	198,162	140,000	118,000
Overtime	-	-	-	13,470	20,000	20,000
Totals, CalHFA Operations	115.4	133.5	128.1	\$9,690,873	\$11,569,988	\$11,585,305
<b>PROGRAMS</b>						
<b>Single Family</b>						
Director of Homeownership	0.2	1.0	1.0	10,643-16,308	161,706	211,661
Compliance and Loan Administration						
Housing Finance Chief	-	1.0	1.0	8,026-9,114	112,649	117,155
Housing Finance Ofcr	-	2.0	1.0	6,584-8,198	202,655	105,381
Housing Finance Spec	-	7.0	3.0	5,053-6,325	555,048	247,393
Housing Finance Assoc	-	3.0	4.0	4,600-5,758	215,580	298,938
Housing Finance Trainee	-	2.0	2.0	2,945-3,992	99,640	103,626
Mgt Services Techn	-	1.0	1.0	2,609-3,690	47,299	49,191
Loan Production						
Housing Finance Chief	-	1.0	1.0	8,026-9,114	112,649	117,155
Housing Finance Ofcr	-	3.0	3.0	6,584-8,198	303,982	316,141
Staff Services Mgr I	-	1.0	1.0	5,470-6,796	83,999	87,359
Housing Finance Spec	-	5.0	5.0	5,053-6,325	395,928	411,765
Housing Finance Assoc	-	14.0	12.0	4,600-5,758	1,006,038	896,811
Office Techn-Typing	-	1.0	1.0	2,809-3,515	43,867	45,622
Mgt Services Techn	-	1.0	1.0	2,609-3,690	46,051	47,893
Secondary Marketing and Systems Support						
Housing Finance Chief	-	1.0	1.0	8,026-9,114	112,649	117,155
Housing Finance Ofcr	-	2.0	1.0	6,584-8,198	202,655	105,381
Housing Finance Spec	-	7.0	8.0	5,053-6,325	555,048	659,715
Housing Finance Assoc	-	5.0	3.0	4,600-5,758	359,299	224,202
Office Techn-Typing	-	1.0	1.0	2,809-3,515	43,867	45,622
Lender Services and Leads Unit:						
Housing Finance Ofcr	2.0	-	-	6,584-8,198	-	-
Housing Finance Spec	2.0	-	-	5,053-6,325	-	-
Housing Finance Assoc	2.0	-	-	4,600-5,758	-	-
Secondary Marketing:						
Housing Finance Ofcr	1.0	-	-	6,584-8,198	-	-
Housing Finance Spec	2.0	-	-	5,053-6,325	-	-
Housing Finance Assoc	0.2	-	-	4,600-5,758	-	-
Specialized Services Section:						
Housing Finance Chief	0.8	-	-	8,026-9,114	-	-
Housing Finance Ofcr	1.5	-	-	6,584-8,198	-	-
Housing Finance Spec	1.0	-	-	5,053-6,325	-	-
Housing Finance Trainee	1.0	-	-	2,945-3,992	-	-
Systems Support Unit:						
Housing Finance Spec	1.0	-	-	5,053-6,325	-	-
Housing Finance Assoc	2.0	-	-	4,600-5,758	-	-
Loan Production and Portfolio Management Section:						
Housing Finance Chief	1.0	-	-	8,026-9,114	-	-
Housing Finance Ofcr	2.0	-	-	6,584-8,198	-	-
Housing Finance Spec	10.0	-	-	5,053-6,325	-	-

\* Proposed salaries reflect anticipated general salary increases for bargaining units based on approved bargaining unit contracts

## 2245 CALIFORNIA HOUSING FINANCE AGENCY

ORGANIZATIONAL UNIT  Classification	EXPENDITURES					
	Filled 2016-17	Authorized 2017-18	Proposed 2018-19	Actual 2016-17  (Salary Range)	Budgeted 2017-18	Proposed 2018-19*
Housing Finance Assoc	11.0	-	-	4,600-5,758	-	-
Office Techn-Typing	1.0	-	-	2,809-3,515	-	-
Mgt Services Techn	1.0	-	-	2,713-3,838	-	-
Totals, Single Family	<u>42.7</u>	<u>59.0</u>	<u>51.0</u>	<u>\$3,537,653</u>	<u>\$4,660,609</u>	<u>\$4,208,164</u>
<b>Servicing</b>						
Housing Finance Chief	1.0	-	-	8,026-9,114	-	-
Customer Service:						
Housing Finance Spec	1.0	-	-	5,053-6,325	-	-
Housing Finance Assoc	1.0	-	-	4,600-5,758	-	-
Office Techn-Typing	2.0	-	-	2,809-3,515	-	-
Mgt Services Techn	3.0	-	-	2,609-3,690	-	-
Collections:						
Staff Services Mgr I	1.0	-	-	5,470-6,796	-	-
Housing Finance Trainee	1.0	-	-	2,945-3,992	-	-
Default Management:						
Housing Finance Ofcr	1.0	-	-	6,584-8,198	-	-
Housing Finance Spec	1.0	-	-	5,053-6,325	-	-
Housing Finance Assoc	6.0	-	-	4,600-5,758	-	-
Housing Finance Asst	1.0	-	-	3,824-4,788	-	-
Office Techn-Typing	2.0	-	-	2,809-3,515	-	-
Office Asst-Gen	1.0	-	-	2,168-2,983	-	-
System Administration:						
Housing Finance Spec	1.0	-	-	5,053-6,325	-	-
Totals, Servicing	<u>23.0</u>	<u>-</u>	<u>-</u>	<u>\$1,429,306</u>	<u>\$0</u>	<u>\$0</u>
<b>Multifamily Programs</b>						
Director of Multifamily Programs	1.0	1.0	1.0	12,017-18,025	172,286	179,177
Deputy Director of Multifamily Programs	-	1.0	1.0	9,255-11,024	125,324	130,337
Housing Finance Chief	0.3	1.0	-	8,026-9,114	112,649	-
Credit Officer, C.E.A. A	0.6	1.0	-	6,647-9,555	118,100	-
Housing Finance Ofcr	5.4	7.0	5.0	6,584-8,198	709,291	526,901
Staff Services Mgr I	1.0	1.0	-	5,470-6,796	83,999	-
Housing Finance Spec	5.0	6.0	6.0	5,053-6,325	473,616	492,561
Research Analyst II	-	1.0	-	4,829-6,048	75,479	-
Housing Finance Assoc	3.6	6.0	6.0	4,600-5,758	431,159	448,405
Housing Finance Asst	3.4	4.0	3.0	3,824-4,788	239,017	186,434
Research Analyst I	0.8	-	-	3,377-5,230	-	-
Office Techn-Typing	0.9	1.0	1.0	2,809-3,515	43,867	45,622
Construction Services:						
Sr Housing Constrn Insp	1.0	1.0	1.0	8,802-11,015	134,824	137,520
Housing Constrn Insp	1.0	1.0	1.0	8,105-10,146	124,187	126,671
Totals, Multifamily Programs	<u>24.0</u>	<u>32.0</u>	<u>25.0</u>	<u>\$2,032,662</u>	<u>\$2,843,798</u>	<u>\$2,273,628</u>
<b>Asset Management</b>						
Asset Management:						
Housing Finance Chief	1.9	2.0	2.0	8,026-9,114	225,298	234,310
Housing Maint Insp	4.0	4.0	4.0	7,482-9,360	436,429	445,158
Housing Finance Ofcr	3.5	5.0	4.0	6,584-8,198	491,866	409,249
Housing Finance Spec	10.4	11.0	12.0	5,053-6,325	868,296	985,121
Housing Finance Assoc	0.6	-	2.0	4,600-5,758	-	149,469
Housing Finance Asst	1.0	4.0	3.0	3,824-4,788	239,017	186,434
Housing Finance Trainee	1.0	2.0	-	2,945-3,992	99,640	-
Office Techn-Typing	0.8	1.0	1.0	2,809-3,515	43,867	45,622

\* Proposed salaries reflect anticipated general salary increases for bargaining units based on approved bargaining unit contracts

**2245 CALIFORNIA HOUSING FINANCE AGENCY**

ORGANIZATIONAL UNIT  Classification	EXPENDITURES					
	Filled 2016-17	Authorized 2017-18	Proposed 2018-19	Actual 2016-17  (Salary Range)	Budgeted 2017-18	Proposed 2018-19*
Office Techn-Gen	0.1	-	-	2,758-3,455	-	-
Mgt Services Techn	1.9	-	1.0	2,609-3,690	-	47,893
Totals, Asset Management	25.2	29.0	29.0	\$2,000,155	\$2,404,413	\$2,503,255
Temporary Help	5.0	1.4	1.1	300,457	83,000	66,000
Overtime	-	-	-	24,153	47,000	26,000
Totals, Programs	119.9	121.4	106.1	\$9,324,386	\$10,038,820	\$9,077,048
Totals Regular/Ongoing Positions Before Salary Savings	227.0	251.0	231.0	\$18,479,017	\$21,318,808	\$20,432,352
CalHFA Salary Savings	-	-	-	\$0	-\$1,767,169	-\$1,711,979
<b>TOTALS, CalHFA AUTHORIZED POSITIONS</b>	<b>235.3</b>	<b>254.9</b>	<b>234.2</b>	<b>\$19,015,259</b>	<b>\$19,841,639</b>	<b>\$18,950,374</b>
<i>Regular/Ongoing Positions (CalHFA)</i>	227.0	251.0	231.0	18,479,017	19,551,639	18,720,374
<i>Temporary Help (CalHFA)</i>	8.3	3.9	3.2	498,619	223,000	184,000
<i>Overtime (CalHFA)</i>	-	-	-	37,623	67,000	46,000

\* Proposed salaries reflect anticipated general salary increases for bargaining units based on approved bargaining unit contracts

**CalHFA FY 2018-19 Out of State Travel Requests**

Mission Critical Travel	Division	Date of event (If known)	Destination	# of Exempt Employees Attending	# Board Members Attending *	# of Non-Exempt Employees Attending (Excluded and Represented Employees)	Projected Cost (including airfare, rental car, meals, etc.)	Justification (i.e. Mission Critical; List benefits to the Dept.; Auditing; Litigation Related; Function required by statute, contract, or executive directive; NCSHA Sponsored Meetings; Meetings with Rating Agencies, GSE's; Lender Trainings )	Impact if Denied
2018 NCSHA Annual Conference (Oct. 14-17, 2018)	Agency Wide	October 2018	Austin, TX	6	1	5	\$ 30,000.00	Mission critical annual meeting with national HFAs regarding professional development in various housing related program areas including communications, finance, governance, legal, human relations, information technology, management, homeownership, rental and special needs housing. The training sessions offered are multi-disciplinary and sending only one representative to attend multiple sessions is not possible.	Loss of cost savings and efficiencies for not meeting business partners in one location, resulting in the inability to collaborate and strengthen lending products for affordable housing initiatives with HFAs across the country.
2019 NCSHA HFA Institute (Jan. 7-12, 2019)	Agency Wide	January 2019	Washington, DC	2		6	\$ 24,000.00	Mission critical event designed to strengthen understanding of program fundamentals and explore advanced techniques for administering various housing programs and initiatives. The training sessions offered are multi-disciplinary and sending only one representative to attend multiple sessions is not possible.	Loss of opportunity to obtain in-depth instruction on essential HFA programs.
2019 NCSHA Legislative Conference (Mar. 5-7, 2019)	Agency Wide	March 2019	Washington, DC	8	2	1	\$ 27,500.00	To receive mission critical current updates on legislative and regulatory activities and priorities, industry perspectives, and the solutions to the latest issues and challenges, and to collaborate with experienced HFA practitioners, Congressional and Federal staff, and noted industry leaders through events and roundtable sessions. The training sessions offered are multi-disciplinary and sending only one representative to attend multiple sessions is not possible.	Loss of cost savings and efficiencies for not meeting business partners in one location, resulting in the inability to strengthen understanding in common and shared affordable housing initiatives with HFAs and key Federal and Congressional leaders.
NCSHA Executive Development Seminar	Agency Wide	November 2018	South Bend, IN	1		2	\$ 3,000.00	Annual executive development program. Topics covered in the seminar include mission critical transformational strategies and identifying growth opportunities, change management, improved decision making, negotiation and conflict management, building high performance teams and situational leadership.	Failure to provide executive management with high level training regarding organizational transformation, change management and organizational performance.
NCSHA Housing Credit Connect (June 19-22, 2019)	Executive, Multifamily, Asset Management	June 2019	Chicago, IL	3		2	\$ 12,500.00	Mission critical annual meeting with national HFAs regarding low income housing tax credits, including legislative updates, industry expert meetings, IRS regulation changes, and policy discussions. The training sessions offered are multi-disciplinary and sending only one representative to attend multiple sessions is not possible.	Failure to obtain critical information on changes to Multifamily low income housing tax credits, including any legislative core related financing methods.
NCSHA Executive Directors Workshop	Executive	July 2018	TBD	1			\$ 3,000.00	Mission critical annual meeting with national HFA Executive Directors regarding low income housing tax credits, including legislative updates, industry expert meetings, IRS regulation changes, and policy discussions.	Failure to obtain critical information on changes to Multifamily low income housing tax credits, including any legislative ore related financing methods.
NCSHA Special Board of Director's Meeting	Executive		Washington, D.C.	1			\$ 2,500.00	Provide mission critical guidance as a member of the Board of Directors to NCSHA member HFA's on ways to better serve low and moderate income neighborhoods and residents across the country.	Loss of cost savings and efficiencies for not meeting business partners in one location, resulting in the inability to collaborate and strengthen lending products for affordable housing initiatives.

**CalHFA FY 2018-19 Out of State Travel Requests**

Mission Critical Travel	Division	Date of event (If known)	Destination	# of Exempt Employees Attending	# Board Members Attending *	# of Non-Exempt Employees Attending (Excluded and Represented Employees)	Projected Cost (including airfare, rental car, meals, etc.)	Justification (i.e. Mission Critical; List benefits to the Dept.; Auditing; Litigation Related; Function required by statute, contract, or executive directive; NCSHA Sponsored Meetings; Meetings with Rating Agencies, GSE's; Lender Trainings )	Impact if Denied
NCSHA Board Member Training	Board		TBD		2		\$ 5,000.00	Mission critical annual meeting with HFA Board Members across the Country regarding the responsibilities as Board Members, role of HFAs in the housing finance space and policy and legislative updates from industry experts. The training sessions offered are multi-disciplinary and sending only one representative to attend multiple sessions is not possible.	Participation in the training will ensure that the Board Members understand their role and responsibilities as Board Members and will help avoid potential issues during their service on the Board.
Fannie Mae Advisory Board	Executive	October 2018 and April 2019	Washington, DC	4		1	\$ 12,500.00	Mission critical engagement with secondary marketing purchaser of single family and multifamily loans. Ability to influence and provide input of issues critical to CalHFA's mission.	Loss of cost savings and efficiencies for not meeting lending partners in one location, resulting in the inability to collaborate and strengthen lending products for affordable housing initiatives.
BBVA Advisory Board (To be reimbursed)	Executive	October 2018 and April 2019	(Varies TBD)	2			\$ -	Provide mission critical guidance to BBVA's bank executives on ways to better serve low and moderate income neighborhoods and residents in California.	Loss of cost savings and efficiencies for not meeting lending partners in one location, resulting in the inability to collaborate and strengthen lending products for affordable housing initiatives.
ACI Mortgage Servicing Compliance	General Counsel	TBD	Washington DC, or other locations			2	\$ 5,000.00	Acquire/maintain mission critical knowledge regarding complicated, evolving and frequently changing federal rules concerning mortgage loan servicing compliance and best practices applicable to CalHFA in-house and outside SF loan servicing operations.	Failure to obtain important information and knowledge resulting in increased reliance on expensive outside counsel and risk of non-compliance by CalHFA staff and resulting litigation.
2019 Government Social Media Conference	Marketing	April 2019	TBD			2	\$ 5,000.00	The GSMCON is an annual social media conference targeted to city, county, and state government. Sessions include speakers from CA state agencies and others who are presenting on topics such as 'using social media during emergencies', 'handling negative social media', and 'legal aspects for government social media'. It's mission critical for our communications staff and public information liaisons to be trained on these topics so that we can communicate effectively to the public.	Lack of preparedness and understanding to communicate effectively during a crisis or to communicate to or on behalf of public officials. Lack of preparedness and understanding when handling negative social interactions that directly impact the Agency's reputation.
2018 Western HUD Lender's Conference	Multifamily	TBD	TBD	1		1	\$ 5,000.00	Mission critical consortium of HUD approved multifamily lenders to share with and provide updates on HFA multifamily insurance programs including updates from HUD national office, updates and revisions to appraisal evaluations and engineering, updates to asset management, legal and loan closing requirements.	Failure to hear from HUD HUB Directors, HUD national headquarters staff, and other HUD senior management to address challenges and issues that impact CalHFA and its lending initiatives.
Western States HFA Summit	Single Family, Financing	Jun-19	Utah	2		2	\$ 10,000.00	Annual mission critical meeting with Western States HFA's. This training event is designed to strengthen the understanding of regional issues in various housing related program areas which are common to our region. Work on regional issues / solutions by partnering with sister HFA in cost sharing ventures.	Loss of cost savings and efficiencies for not meeting business partners in one location, resulting in the inability to collaborate and strengthen lending products for affordable housing initiatives with HFAs across the country.

**CalHFA FY 2018-19 Out of State Travel Requests**

Mission Critical Travel	Division	Date of event (If known)	Destination	# of Exempt Employees Attending	# Board Members Attending *	# of Non-Exempt Employees Attending (Excluded and Represented Employees)	Projected Cost (including airfare, rental car, meals, etc.)	Justification (i.e. Mission Critical; List benefits to the Dept.; Auditing; Litigation Related; Function required by statute, contract, or executive directive; NCSHA Sponsored Meetings; Meetings with Rating Agencies, GSE's; Lender Trainings )	Impact if Denied
West Coast HFA Meet Up	Executive, ERM & C, Multifamily	TBD	TBD	4			\$ 10,000.00	Annual mission critical meeting with Western States HFA's. This training event is designed to strengthen the understanding of regional issues in various housing related program areas which are common to our region. Work on regional issues / solutions by partnering with sister HFA in cost sharing ventures.	Loss of cost savings and efficiencies for not meeting business partners in one location, resulting in the inability to collaborate and strengthen lending products for affordable housing initiatives with HFAs across the country.
Fannie Mae's HFA Institute	Financing, Single Family	May-15	Washington, DC	4		2	\$ 15,000.00	Required by federal partners. To obtain mission critical information on Fannie Mae's HFA Preferred Program (A NCSHA sponsored HFA Conference).	Not attending could jeopardize CalHFA's participation in Fannie Mae's HFA Preferred Program.
HUD TRACS Annual Meeting	Asset Management	TBD	Washington DC			1	\$ 2,500.00	Required by federal partners. Tenant Rental Assistance Certification System (TRACS) Mission critical meeting to learn of the latest changes and HUD regarding occupancy related issues, software updates, and new HUD initiatives.	Failure to obtain the most current and critical information regarding HUD matters.
HUD 811 Convening	Asset Management	TBD	Washington, DC			2	\$ 5,000.00	Mission critical and required by federal partners. HUD 811 program provides "convening" of states that have been awarded funds. California was the first state to have an executed Rental Assistance Contract with an owner. CalHFA has been asked to discuss the new HUD system that handles the PRA subsidy payments as well as to discuss our experience with the payment process so far.	Failure to obtain information on program changes as well as provide important feedback on the Agency's experience with the 811 program so far.
HUD Introduction Meeting	Asset Management	TBD	Washington, DC			2	\$ 5,000.00	As the new presidential administration takes shape, it is mission critical to introduce CalHFA and its business lines to HUD. The ongoing programs we have with HUD (Section 8 TCA, Section 811 PRA, FHA Risk-Share, etc.) are critical to the success of CalHFA's mission.	HUD may eliminate or alter programs without CalHFA's full input. Some of these changes may negatively alter CalHFA's role in affordable housing.
Rating Agency Visit	Finance, Executive	TBD	New York, NY	3			\$ 7,500.00	Mission critical required annual management review with Moody's.	Potential negative comments on Agency management. Failure to educate rating agencies regarding specific business risks that influence our ratings on debt issuance.
Federal Financing Bank HUD Risk-Share Program Meeting	Executive, Multifamily	TBD	Washington, DC	3			\$ 7,500.00	Mission critical meeting with HUD, US Treasury, and the Federal Financing Bank on the Agency's major primary housing program, the FFB Risk-Share loan program.	Failure to meet with CalHFA's partners in this unique HFA financing tool could result in lowered lending production at higher financing rates
MBA National Technology in Mortgage Banking Conf	I.T., Single Family	TBD	TBD			1	\$ 2,500.00	Mission critical training on all of the emerging technologies, the impact of new regulations, vendor solutions, and to connect with vendors and industry experts related to mortgage lending.	Loss of cost savings and efficiencies for not meeting needs of single family IT business needs, resulting in the inability to collaborate and strengthen lending products for affordable housing initiatives. Failure to obtain in depth instructions on essential system and regulatory changes in the industry.

**CalHFA FY 2018-19 Out of State Travel Requests**

Mission Critical Travel	Division	Date of event (If known)	Destination	# of Exempt Employees Attending	# Board Members Attending *	# of Non-Exempt Employees Attending (Excluded and Represented Employees)	Projected Cost (including airfare, rental car, meals, etc.)	Justification (i.e. Mission Critical; List benefits to the Dept.; Auditing; Litigation Related; Function required by statute, contract, or executive directive; NCSHA Sponsored Meetings; Meetings with Rating Agencies, GSE's; Lender Trainings )	Impact if Denied
Mortgage Bankers Association (MBA) Technology Conference	Single Family	TBD	Various States			2	\$ 5,000.00	Mission critical training on all of the emerging technologies, the impact of new regulations, vendor solutions, and to connect with vendors and industry experts related to mortgage lending.	Loss of cost savings and efficiencies for not meeting needs of single family IT business needs, resulting in the inability to collaborate and strengthen lending products for affordable housing initiatives. Failure to obtain in depth instructions on essential system and regulatory changes in the industry.
Mortgage Bankers Association Servicing Conference and Expo	Single Family	TBD	Various States			1	\$ 2,500.00	Mission critical annual meeting to strengthen the understanding of best practices and regulations in the loan servicing area. Discuss servicing issues/solutions with other servicers, Government Sponsored Enterprise (GSE) and vendors.	Loss of cost savings and efficiencies for not meeting business partners in one location, resulting in the inability to collaborate and strengthen servicing practices.
Hardest Hit Fund Conference ( OneTo be reimbursed by KYHC)	Executive, ERM & C	TBD	TBD	2			\$ -	Mission critical summit with US Treasury officials, representatives from other Hardest Hit Fund states, GSEs and large banks to discuss barriers and solutions related to the use of Hardest Hit Funds.	Failure to meet with Treasury officials face to face to negotiate changes to the program and to develop program parameters for use of program income generated by the Hardest Hit Funds.
Outside Servicer Audits	Single Family	TBD	TBD			3	\$ -	Mission critical annual audits of CalHFA outside servicers. As the investor CalHFA is responsible to ensuring compliance with State and Federal regulations. A site audit is required to review/observe servicing facility and staffing capacity. (Expenses are reimbursed)	Failure to review servicer's at location could produce operational risk or exposure to losses from inadequate or failed internal controls.
Subservicer Audits	Single Family	TBD	Lake Zurich, IL			3	\$ 7,500.00	A site audit of our servicing partner is mission critical because the investor, CalHFA is responsible for all risk associated with servicing. A site audit is conducted to ensure compliance with industry standards and servicing practices. Subservicer will not reimburse for travel.	Failure to review servicer at location could produce operational risk or exposure to losses from inadequate or failed internal controls.
Lender Trainings and Recertification	Single Family	TBD	Various States			3	\$ -	Out of state travel to conduct mission critical lender trainings and lender recertification's (Expenses are reimbursed).	N/A
GPUG Summit Conference	Admin, Fiscal Services, Information Technology	October 2018	Phoenix, AZ	1		4	\$ 12,500.00	Agency is utilizing MSGP2016 for the Agency's business. The recent implementation of several modules and plan to implement several additional modules makes this a mission critical summit, as it will provide CalHFA with the necessary tools to realize the full potential of the software solution. The training sessions offered are multi-disciplinary (IT, Fiscal, Budget, Admin, etc.) and sending only one representative to attend multiple training sessions is not possible.	Failure to obtain critical training may result in inefficient or incorrect implementation of GP modules, staff inefficiencies, and missed financial reporting deadlines.
Oversight of Subservicing Conference	Single Family	TBD	Various States			1	\$ 2,500.00	Mission critical training for CalHFA staff to provide a better understanding of the laws, regulations and requirements for subservicing oversight.	Failure to attend this critical training will result in the inability to identify and understand the roles and responsibilities of servicing regulatory requirements.

**CalHFA FY 2018-19 Out of State Travel Requests**

Mission Critical Travel	Division	Date of event (If known)	Destination	# of Exempt Employees Attending	# Board Members Attending *	# of Non-Exempt Employees Attending (Excluded and Represented Employees)	Projected Cost (including airfare, rental car, meals, etc.)	Justification (i.e. Mission Critical; List benefits to the Dept.; Auditing; Litigation Related; Function required by statute, contract, or executive directive; NCSHA Sponsored Meetings; Meetings with Rating Agencies, GSE's; Lender Trainings )	Impact if Denied
CFPB Compliance Training	ERM & C	TBD	Washington, DC			1	\$ 2,500.00	Mission critical training and update to remain in compliance with federal Consumer Financial Protection Bureau lending and data use requirements.	Loss of opportunity to obtain in-depth instruction on federally mandated consumer protections and lending standards.
Freddy Mac	Multifamily	TBD	Washington, DC	1			\$ 2,500.00	Mission critical meeting with Freddie Mac to discuss new partnerships and capital raising opportunities for Multifamily Programs.	Loss of opportunity to obtain in-depth instruction on essential HFA programs.
			<b>Totals</b>	<b>49</b>	<b>5</b>	<b>50</b>	<b>\$ 235,000.00</b>		

\*Agency will reimburse out of state travel expenses for Board Members eligible for per diem pursuant to Health & Safety Code Section 50909

**CalHFA Contracts for FY 2018/19**

<b>DIVISION CONTRACTS</b>	<b>Consulting and Professional Services Proposed 2018/19</b>	<b>Remarks</b>
<b><u>REGULAR ONGOING CONTRACTS</u></b>		
<b>AGENCY WIDE</b>		
Cornerstone	600	Security Monitoring
	<b>600</b>	
<b>EXECUTIVE</b>		
Management Consulting Services	200,000	Potential expansion of organizational assessment
Economic Impact Study Report	50,000	Economic Impact Study Report
Business Consumer Services & Housing	138,000	Interagency Agreement
Towers Watson Delaware, Inc.	0	Executive Evaluation/Compensation
Executive Total:	<b>388,000</b>	
<b>BOARD MEMEBERS</b>		
3Play Media	5,000	Closed captioning and interactive transcript services for CalHFA Board meetings
Board Members Total:	<b>5,000</b>	
<b>ERM &amp; C</b>		
CoreLogic Solutions LLC	100,000	Analytical tools to obtain property values, appraisal analytics and fraud analytics
LexisNexis Risk Solutions FL, Inc.	35,000	Risk evaluation services
ERM & C Total:	<b>135,000</b>	
<b>ADMINISTRATION</b>		
State Controller's Office	2,000	Leave Accounting
HR Legal Services	200,000	Attorney services for workplace investigations, mediation, and expert witness work as necessary
HR Consulting	50,000	HR Consultation Services
Administration Total:	<b>252,000</b>	
<b>INFORMATION TECHNOLOGY</b>		
QBIX	40,000	General Ledger Report Upgrades
Public Consulting Group	300,000	Programming Support
Providence Technology Group	15,000	Sharepoint Technical Support
Macroview, Inc.	1,000	Technical Support
Bi-Annual Risk Assessment	30,000	Risk Assessment of IT System
Eplus Technology	15,000	RSA/PAM Intergration technical expertise
AB670 Assessment	50,000	Independent Security Assessment
OIS Audit	60,000	Information Security Program Audit
Enterprise Networking Solutions	10,000	Server Upgrades
Altura Communication Services (VoIP)	23,000	Telephone Support and Maintenance
Enterasys (EYEP)	15,000	Ongoing Switch Maintenance
	<b>559,000</b>	
<b>FINANCING</b>		
DBC Software (SS & C Technologies)	55,000	Cash Flow Projection Software (2 Licenses)
E-Housing Plus	0	Housing & Development Services for MCC's
Financing Total:	<b>55,000</b>	

CalHFA Contracts for FY 2018/19

DIVISION CONTRACTS	Consulting and Professional Services Proposed 2018/19	Remarks
<b>FISCAL SERVICES</b>		
Audits		
CliftonLarsonAllen	230,600	Housing Finance Fund Financial Audit
Other		
McCracken Financial Solutions Corp.	200,000	Multifamily Loan Servicing ASP - Ongoing
Ominicap	30,000	Tax Compliance Calculations
Fiscal Services Total:	<b>460,600</b>	
<b>GENERAL COUNSEL</b>		
Litigation related		
Bankruptcy/Consultation Services	5,000	Bankruptcy
Cal Attorney General	75,000	Homeowner loan and routine litigation
Orrick	25,000	Litigation
Law Offices of James J. Falcone	8,000	Litigation
Non-litigation related/Other		
Greenberg Trauig	100,000	HUD OIG
MFP Counsel	50,000	Advice
Orrick	25,000	Hourly bond & finance advice
Other		
Hawkins Delafield & Wood LLP	20,000	Bond counsel
Legal Total:	<b>308,000</b>	
<b>MARKETING</b>		
Marketing/Digital Marketing/PR	350,000	Agency Promotion and Printing
Fuze Digital Solutions, LLC	6,000	Web Enhancements
Lazzarone Photography	10,000	Photographer for Annual Report
Design Forge	15,000	Consultant for Annual Report
Critical Mention	6,000	Media monitoring tool and housing data collection
Website Revisions and Focus Groups	100,000	Consultant to assist with design, navigation, content and functionality updates to Agency website
California Strategies	36,000	Consultant will develop a Strategy Document that educates state and federal policy makers about CalHFA programs and the success of agency's efforts to fulfill its mission
Marketing Total:	<b>523,000</b>	
<b>SINGLE FAMILY LENDING</b>		
Brooks Systems	2,000	Used to determine APR, as necessary
McBride Edwards LLP	10,000	Servicing Auditor
All Regs	5,000	Quarterly enhancements to the CalHFA Servicer Guide
MERSCORP, Inc.	10,000	Electronic Registry Service
Single Family Lending Total:	<b>27,000</b>	
<b>MULTIFAMILY</b>		
Multifamily Underwriting Services	50,000	MF Underwriting Services
Experian Information Solutions, Inc.	5,000	Credit reports on business partners obtaining financing from CalHFA
Multifamily Total:	<b>55,000</b>	

**CalHFA Contracts for FY 2018/19**

<b>DIVISION CONTRACTS</b>	<b>Consulting and Professional Services Proposed 2018/19</b>	<b>Remarks</b>
ASSET MANAGEMENT		
Housing Development Software	115,000	Maintenance fee for software/Host set-up and license fees
MOR/Property Inspection Services	125,000	Property Inspection Services
Asset Management Total:	<b>240,000</b>	
<b>TOTAL CALHFA ONGOING CONTRACTS</b>	<b>3,008,200</b>	<b>(\$3,008K on Combined Consulting and Professional Services Line)</b>

1  
2 BOARD OF DIRECTORS  
3 OF THE CALIFORNIA HOUSING FINANCE AGENCY

4 RESOLUTION NO. 18-21

5  
6 RESOLUTION AUTHORIZING THE AGENCY BUSINESS PLAN  
7 FOR FISCAL YEAR 2018/2019  
8  
9

10 WHEREAS, pursuant to the Zenovich-Moscone-Chacon Housing and  
11 Home Finance Act (“Act”), the California Housing Finance Agency (“Agency”)  
12 has the authority to engage in activities to reduce the cost of mortgage financing  
13 for home purchase and rental housing development, including the issuance of  
14 bonds and the insuring of mortgage loans;

15  
16 WHEREAS, the Agency’s statutory objectives include, among others,  
17 increasing the range of housing choices for California residents, meeting the  
18 housing needs of persons and families of low or moderate income, maximizing the  
19 impact of financing activities on employment and local economic activity, and  
20 implementing the objectives of the California Statewide Housing Plan;

21  
22 WHEREAS, while the improving California economy and real estate  
23 markets continue to present opportunity for the Agency, financial challenges  
24 remain within changing credit and capital markets;

25  
26 WHEREAS, the Agency must responsibly manage real estate related risk  
27 and liquidity for operating expenses and financial obligations;

28  
29 WHEREAS, the Agency has presented to the Board of Directors a Business  
30 Plan, for fiscal year 2018/19, with its goals, key strategies and action items  
31 designed to assist the Agency in meeting its financial obligations, its statutory  
32 objectives, support the housing needs of the people of California and to provide the  
33 Agency with the necessary road map to continue its reemergence as a leading  
34 affordable housing lender providing bond financing and mortgage financing well  
35 into the future;

36  
37 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the  
38 Agency as follows:

- 39  
40 1. The 2018/19 Business Plan, as presented by the written presentation  
41 attached hereto and made a part hereof, and any additional presentations made at  
42 the meeting, is hereby fully endorsed and adopted.  
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1           2. In implementing the Business Plan, the Agency shall strive to satisfy all  
2 the capital adequacy, liquidity reserve, credit and other reserve and any other  
3 requirements necessary to maintain the Agency’s general obligation credit ratings  
4 and the current credit ratings on its debt obligations, to comply with the  
5 requirements of the Agency’s providers of credit enhancement, liquidity, and  
6 interest rate swaps and to satisfy any other requirements of the Agency’s bond and  
7 insurance programs.

8  
9           3. The updated Business Plan is necessarily based on various economic,  
10 fiscal and legal assumptions.

11  
12           Therefore, for the Agency to respond to changing circumstances, and subject to  
13 the provisions of Resolution 11-06, the Executive Director shall have the authority to  
14 adjust the Agency’s day-to-day activities to reflect actual economic, fiscal and legal  
15 circumstances to attain goals and objectives consistent with the intent of the updated  
16 Business Plan.

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19 Attachment  
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3 SECRETARY'S CERTIFICATE

4 I, Marc J. Victor, the undersigned, do hereby certify that I am the duly  
5 authorized Acting Secretary of the Board of Directors of the California Housing  
6 Finance Agency, and hereby further certify that the foregoing is a full, true, and  
7 correct copy of Resolution No. 18-21 duly adopted at a regular meeting of the  
8 Board of Directors of the California Housing Finance Agency duly called and held  
9 on the 10th day of May, 2018, at which meeting all said directors had due notice, a  
10 quorum was present and that at said meeting said resolution was adopted by the  
11 following vote:

12 AYES: Avila Farias, Schaefer (for Chiang), Gallagher, Johnson-Hall, Metcalf,  
13 Hoffman (for Podesta), Prince.

14 NOES: None.

15  
16 ABSTENTIONS: None.

17  
18 ABSENT: Alex, Gunning, Hunter, Imbasciani, Russell, Sotelo.

19  
20 IN WITNESS WHEREOF, I have executed this certificate hereto this 11<sup>th</sup>  
21 day of May 2018.

22  
23  
24 ATTEST:

25 \_\_\_\_\_  
26 MARC J. VICTOR  
27 Acting Secretary of the Board of Directors  
28 of the California Housing Finance Agency  
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2 BOARD OF DIRECTORS  
3 OF THE CALIFORNIA HOUSING FINANCE AGENCY

4 RESOLUTION NO. 18-22

5  
6 RESOLUTION AUTHORIZING THE AGENCY OPERATING BUDGET  
7 FOR FISCAL YEAR 2018/2019  
8  
9

10 WHEREAS, the Board of Directors of the California Housing Finance Agency  
11 has reviewed its proposed operating budget for the 2018/2019 fiscal year;

12 NOW, THEREFORE, BE IT RESOLVED as follows:

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14  
15 1. The operating budget attached hereto is hereby approved for operations  
16 of the California Housing Finance Agency Fund for fiscal year 2018/2019.  
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19 Attachment  
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1 SECRETARY'S CERTIFICATE

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3 I, Marc J. Victor, the undersigned, do hereby certify that I am the duly authorized  
4 Acting Secretary of the Board of Directors of the California Housing Finance Agency,  
5 and hereby further certify that the foregoing is a full, true, and correct copy of Resolution  
6 No. 18-22 duly adopted at a regular meeting of the Board of Directors of the California  
7 Housing Finance Agency duly called and held on the 10th day of May, 2018, at which  
8 meeting all said directors had due notice, a quorum was present and that at said meeting  
9 said resolution was adopted by the following vote:

10  
11 AYES: Avila Farias, Schaefer (for Chiang), Gallagher, Johnson-Hall, Metcalf,  
12 Hoffman (for Podesta), Prince.

13 NOES: None.

14  
15 ABSTENTIONS: None.

16  
17 ABSENT: Alex, Gunning, Hunter, Imbasciani, Russell, Sotelo.

18  
19 IN WITNESS WHEREOF, I have executed this certificate hereto this 11<sup>th</sup> day of  
20 May, 2018.

21  
22  
23 ATTEST:

24 \_\_\_\_\_  
25 MARC J. VICTOR  
26 Acting Secretary of the Board of Directors  
27 of the California Housing Finance Agency  
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