

Finance and Administration

Finance Department

Human Resources

JUNE 30, 2019 CASH FLOW ANALYSIS

Net cash provided by operating activities	7,808,567
Net cash provided by (used in) capital and related financing activities	(3,648,930)
Net cash provided by (used in) investing activities	1,632,460
Net increase (decrease) in cash and cash equivalents	5,792,097
Cash and cash equivalents - Beginning of Year	102,659,178
Cash and cash equivalents - End of Year	108,451,275



Behind the Numbers

- 21 MDHA & 7 Freeman Webb Managed Properties
- 20 Different Grant Programs – Largest programs Section 8 Rental Assistance & PBRA HAP Contracts
- Capital Projects Underway with FHA and Bank Financing – Kirkpatrick Park and Harper Cove Flats (Bordeaux)
- Interest earned from Cash and Investments – 2.58%
- Cash Balance - \$66 million restricted cash & escrows, \$19 million property operating funds, \$23.5 unrestricted reserves
- 16 Additional Entities formed for HUD, LIHTC and/or NMTC mixed financing



2020 Budget Update

- 3.5% across the board salary raise. 7 hard to fill positions will receive a \$1 an hour increase.
- Property budgets are complete and have been presented to Mr. Dellinger
- All properties have converted to PBRA
- 2020 emphasis is deferred and preventative maintenance and increasing security measures.
- 2020 Entity budget will be presented at the September Finance and Audit Committee and Board Meeting



FY 2020 Finance Initiatives



- **Moving to Procure to Pay**
 - Shift invoice entering from Finance team to Property Staff
- **Monthly Operating Results**
 - Provide monthly reconciled I/S and cash flow result for PBRA properties
- **Restructuring Finance Team**
 - Evaluate team member roles and shifting needs of the Finance Department

MDHA Compensation Philosophy

MDHA is committed to providing a fair and competitive staff compensation program that will attract, retain and reward high-performing employees at all levels in our organization. MDHA is committed to providing a total staff compensation package linked to the attainment of individual and group results and the achievement of organizational goals.

Primary principles that guide our staff compensation program

- Pay what a job is worth.
- Recognize and reward for expected performance.
- Provide a balance of work and life and create avenue for retirement.

Key Objectives:

- Transparency - Provide managers and employees access to job-related content, pay guidelines and salary ranges.
- Pay Flexibility - Support the department operations, account for job differences and changes in requirements, market and economy.
- Market Competitiveness - Reflect pay rates for comparable jobs within the relevant labor market.
- Internal Comparability - Provide pay guidelines that ensure similar jobs are paid equitably across the agency.
- Recognition - Reward performance through salary increases, bonuses and incentives; extraordinary performance and contributions are further rewarded at a level that signifies the value of the employee to MDHA and encourages retention.

2019 Lockton Market Rate Study



Design

- 24 Positions within the agency that experience high turnover or difficulty in recruitment
- Compare MDHA salaries with the national market for comparable positions

Results:

- MDHA positions were benchmarked and the salaries for all positions were 100.9% of the 50% ratio at the national level
- For maintenance 88.9%
- Lockton has created a proposed maintenance salary plan for review based upon the market number – the lowest based hourly rate (groundskeeper) will move from 11.36 per hours to 14.56 per hour, which is the national rate for the position.
- In Affordable Housing the highest turnover position is the maintenance technician position and the base rate will move from 14.74 – 16.47.
- In Asset Management, the highest turnover position is the construction worker and the base salary will move from 14.74 - \$18.56.
- In Rental Assistance – we found most positions salaries were at market or above the market. (administrative and inspector)
- In Construction – The construction inspector salary at the 50% is 13% below the market while the Assistant Project Manage salary is above the market.



Education and Career Development

Educational Partnership

MDHA and David Lipscomb University have created an educational and career development partnership to provide MDHA employees with skills development training and educational opportunity.

College Degree Program

MDHA employees will have an opportunity to study for a business-related Bachelor or Master's degree. This program will be an addition to the MDHA Tuition Assistance program. Employees will have an opportunity to complete a degree program to improve their opportunity for career development.

Certificate Program

Certificate programs are being developed for key positions in order to improve their knowledge, skills and abilities.

Property Manager
Senior Leasing Assistant
Leasing Assistant
Maintenance Supervisors
Senior Maintenance Technician
Maintenance Technician

Management and Leadership
Conflict Resolution
Basic Accounting
Customer Service
Emotional Intelligence
Professionalism
Computer Learning