

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

TO: BOARD OF COMMISSIONERS

FROM: Joseph Villarreal, Executive Director

DATE: July 21st ,2017

SUBJECT: INVESTMENT REPORT FOR THE QUARTER ENDING JUNE 30, 2017

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

I. RECOMMENDED ACTION:

RECEIVE the Housing Authority of the County of Contra Costa's investment report for the quarter ending JUNE 30th ,2017.

II. FINANCIAL IMPACT:

None. For reporting purposes only.

III. REASONS FOR RECOMMENDATION/BACKGROUND

California Government Code (CGC) Section 53646 requires the Housing Authority of the County of Contra Costa (HACCC) to present the Board of Commissioners with a quarterly investment report that provides a complete description of HACCC's portfolio. The report is required to show the

CONTINUED ON ATTACHMENT: X YES

SIGNATURE _____
Joseph Villarreal, Executive Director

_____ RECOMMENDATION OF EXECUTIVE DIRECTOR _____ RECOMMENDATION OF BOARD COMMITTEE

_____ APPROVE _____ OTHER

SIGNATURE(S):

ACTION OF BOARD ON _____ APPROVED AS RECOMMENDED _____ OTHER _____

VOTE OF COMMISSIONERS

___ UNANIMOUS (ABSENT _____)
AYES: _____ NOES: _____
ABSENT: _____ ABSTAIN: _____

I HEREBY CERTIFY THAT THIS IS A
TRUE AND CORRECT COPY OF AN
ACTION TAKEN AND ENTERED ON THE
MINUTES OF THE BOARD OF
COMMISSIONERS ON THE DATE SHOWN.

ATTESTED _____

JOSEPH VILLARREAL, SECRETARY
OF THE BOARD OF COMMISSIONERS
AND EXECUTIVE DIRECTOR

cc: CAO Office

BY _____, DEPUTY

issuers, type of investments, maturity dates, par values (equal to market value here) and the current market values of each component of the portfolio, including funds managed by third party contractors. It must also include the source of the portfolio valuation (in HACCC's case it is the issuer). Finally, the report must provide certifications that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and; (2) HACCC will meet its expenditure obligations for the next six months. (CGC 53646(b)).

The state-mandated report has been amended to indicate the amount of interest earned and how the interest was allocated. The amended report is attached.

In summary, HACCC had \$28,834.77 in interest earnings for the quarter ending June 30th, 2017. That interest was earned within discrete programs and most of the interest earned is available only for use within the program which earned the interest. Further, interest earnings may be restricted to specific purposes within a given program.

The Housing Choice Voucher Program reserve as of 12/31/2013 held in cash and investments was transitioned to HUD held program reserve account. The only restricted funds remaining in investments for the Housing Voucher program is for the Family Self Sufficiency escrow account.

Non-restricted interest earnings within both the voucher and public housing programs must be used solely within those programs, but such interest earnings can be used for a wider range of purposes within the individual programs. The interest earned in the State and Local fund can be used for any purpose within HACCC's scope of operations.

The interest earned for the quarter ending June 30th, 2017 is shown below. A more detailed report is attached.

Public Housing	Housing Choice Voucher Fund		Rental Rehabilitation Fund	State & Local
Unrestricted Interest Earned	Restricted Interest Earned	Unrestricted Interest Earned	Unrestricted Interest Earned	Unrestricted Interest Earned
\$9,831.68	\$965.51	\$12,168.24	\$225.55	\$5,643.79

IV. CONSEQUENCES OF NEGATIVE ACTION:

Should the Board of Commissioners elect not to accept the investment report it would result in an audit finding of non-compliance and could ultimately affect future funding from the U.S. Department of Housing and Urban Development (HUD).