

PPP & OTHER STIMULUS FUNDS: STATUS AND RECOMMENDATIONS

Thursday, May 14, 4:00-5:00 PM ET

HOSTS:

Art Fatum
Strength Matters

Angela Gravely-Smith
NeighborWorks America

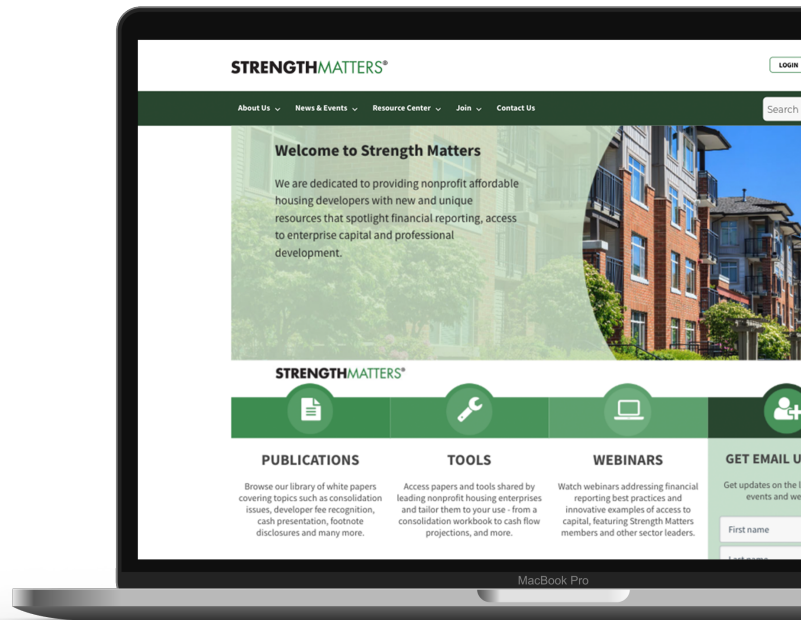


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- Best practice guidance on financial statements, notes, etc.
- Templates for consolidation, five-year cash flow projection, etc.



GETTING STARTED

QUESTIONS?

- This webinar platform is “view & listen” only for participants. Presenters cannot hear participants during the webinar.
- Please use the **Zoom Q&A** feature to submit all questions.
 - *Q&A is located on the black menu bar. If menu is not visible, move your cursor to view.*
- We will pause for questions during the presentation.
- Today’s webinar is one of several Strength Matters is hosting to support the industry’s knowledge and peer exchange in response to COVID-19. Slides and a replay of the webinar will be available in the next few days. Registrants will be notified by email.

CPE REQUIREMENTS

- **We use polls and the Zoom attendance record to verify participation throughout the webinar.**
 - Participants must submit ALL polls and be logged in by 10 minutes after the scheduled webinar start time to receive a certificate.
- **If you plan to petition your state board of accountancy for CPE credits, please submit ALL polls, INCLUDING the final evaluation.**
- To request a certificate of completion or for more information on CPE credits, **contact Lindsay Wells at consult.lwells@gmail.com.**
- Although not part of the NASBA Registry of CPE Sponsors for webinars, we follow NASBA guidelines in our program.

LEARNING OBJECTIVE

- Provide guidance on complying with the requirements of federal stimulus funding

WEBINAR LEVEL: Overview

FIELD OF STUDY: Specialized knowledge

MEET THE PRESENTERS

Janice M. O'Reilly

CPA, CGMA
Partner, AAFCPAs



Matthew Troiano

CPA
Partner, AAFCPAs



Michael Monte

Chief Operating and Financial Officer
Champlain Housing Trust



CARES ACT

- Overview of the ACT
- Guidance and Moving Target
- PPP Specific questions
 - Honor the Act
 - Documentation
 - Continue following updates
- Other Programs

LINKS

- <https://home.treasury.gov/policy-issues/cares>
- <https://www.aafcpa.com/category/regulatory-alerts/coronavirus-covid19-impact/>
- <https://www.sba.gov/document/support--faq-lenders-borrowers>
- <https://www.irs.gov/coronavirus/coronavirus-and-economic-impact-payments-resources-and-guidance>

PRINCIPAL ACTIVITIES AND FAST FACTS

- Homeownership
- Multi Family Rental
- Homeless Initiatives
- Real Estate Development
- Community Relations
- Resident Services
- Mobile Home loans
- Rehab loans
- Counseling/Financial Education

- 102 employees
- 5,000 residents
- 6,000 members
- 3,175 affordable homes:
 - 2,543 affordable rentals
 - 635 shared equity homes
- 160,000 sq. ft. commercial and non-profit facilities
- About 100 different corporate entities



BUDGET & ASSETS

Our Operating Budget of \$15.5 Million supports...

Total Annual Value Added: \$106 Million

- Partnership Budgets
- Development and Capital Budgets

Assets Owned & Under Management: \$308 Million

- All Assets – CHT and Partnerships (Value of Buildings, Land, Covenants, Cash, Receivables, etc. under stewardship)

First, we hoarded cash:

- Went after all receivables.
- Paid vendors in exchange for discounts.
- Expanded our Lines of Credit and Working Capital Accounts.
- Pushed for early payments of grants.
- Asked lenders for forbearance.
- Asked donors for accelerated payments.
- Sought smaller supplemental grants.
- Provided leave as required.
- Advocating for funds from CDBG-CRF for programs to assist renters.
- Stress tested the portfolio.

OUR APPROACH

- Honor the Act
- Document and date
- Provide reason and rationale
- Consider “current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.”
 - The focus on showing economic uncertainty versus a specific reduction in revenue makes it easier to show the need for the loan.
 - It also allows a longer time frame for showing the need.
 - Future liquidity should be legitimate

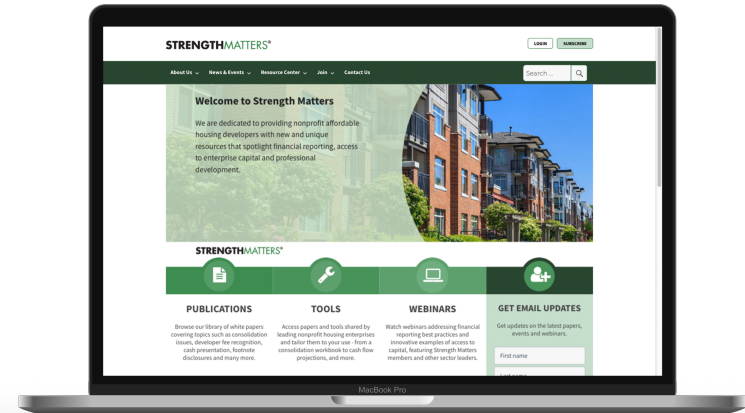
OUR APPROACH

- Consider all of the conditions placed by our funders and bankers as the bottom line, not just “no cash”.
- Use criteria such as covenants, banking and grant requirements.
- But also industry standard regarding operating and capital reserve requirements.
- Considering **forbearance** to properties overall for a shorter period and a longer period for properties that will really need it.
- Considering **forgiveness** after we are cleared for the use of PPP funds as a grant.
- Or some combination.
- Continually stress testing properties to determine which properties need it, with implementation starting June 1.

FINAL QUESTIONS?

- Please use the **Zoom Q&A** panel to submit questions.

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EVALUATION POLL

- Please complete the **Evaluation** in the **Polling panel** and **click Submit** when finished.
- **CPE CREDIT**: If you plan to petition your state board of accountancy for **CPE credit**, you must complete and submit **ALL polls, INCLUDING this Evaluation**.
- This poll will remain open for 10 minutes.

THANK YOU FOR PARTICIPATING!

CPE CREDIT INFORMATION

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