

Reporting to the Board – A Dashboard perspective
Speakers : Tatiana Blank – CFO Eden Housing
Arif Rizvi – CFO Community Housing Capital

October 27th 2021

Questions

- All participant lines are muted.
- Please use the **Raise Hand** feature if you would like to speak.
 - Raise hand feature is located in the Participant panel.
- You may also use the **Chat** feature to ask questions.
- Send a **Chat** to the Host if you have a technical issue

Continuing Professional Education Requirements for CPAs

- **Polls are Required for CPEs**

If you are seeking CPE credits, please submit ALL polls within each session, and the conference evaluations.

If you miss a poll, send a Chat message to the Host immediately.

- We use **Polls and the Zoom attendance** record to verify participation throughout the webinar.

Participants must submit ALL polls and be logged in no later than 10 minutes after the scheduled session start time to receive a certificate.

Continuing Professional Education Credits (CPEs) for CPAs

- **Check your Zoom display name**
 - If the correct name is not shown, email your Zoom display name and your full name to consult.lwells@gmail.com.
- **You may request a certificate of completion via the conference evaluations.**
 - Links to the evaluations are emailed to all registrants.
- **For more information on CPE credits, contact Lindsay Wells at consult.lwells@gmail.com.**

Highlights FYE 2020

Q1 2020	Q2 2020	Q3 2020	Q4 2020 and FYE 2020

Highlights FYE 2021

Q1 2021	Q2 2021	Q3 2021	Q4 2021 and FYE 2021

Key Performance Areas 2021

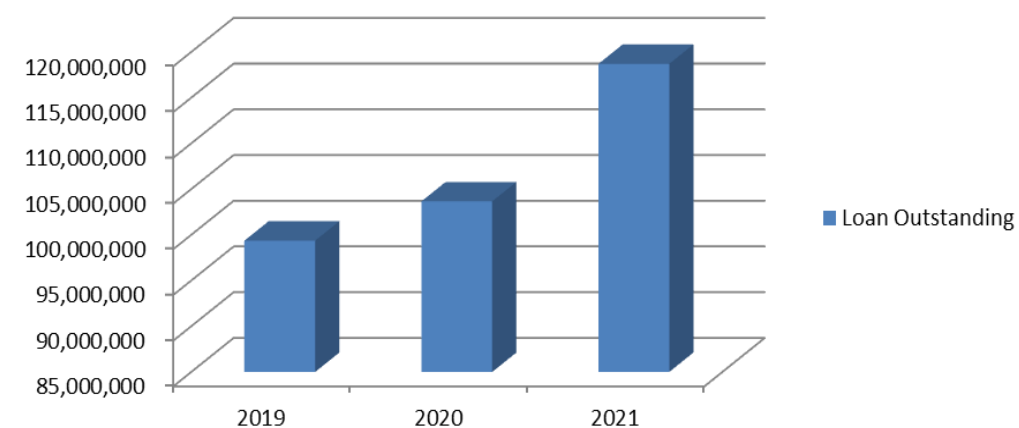
Within budget, any variances temporary and will be evened out during the fiscal year

Some issues need to be managed, closely monitored

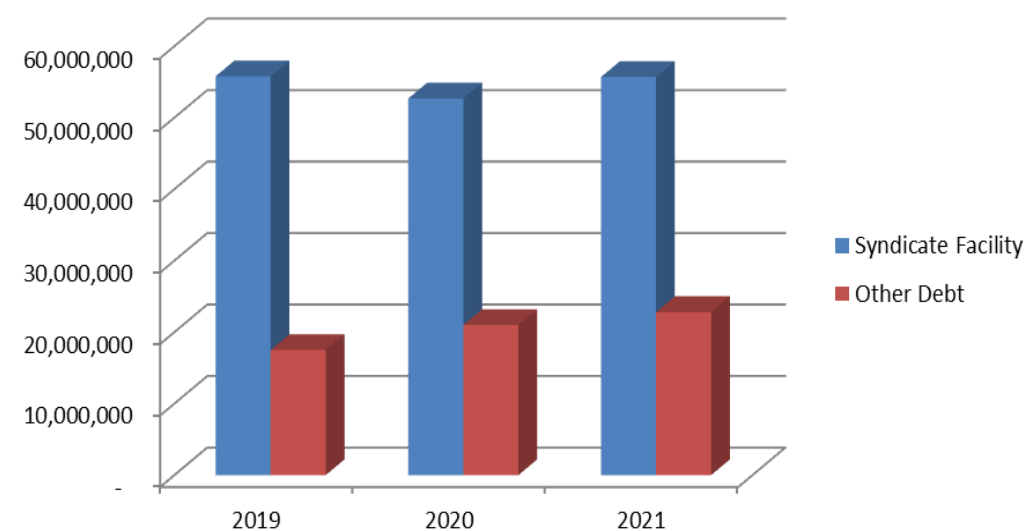
Serious issues, budgetary projections will be missed, alternate or recovery plan required

	FYE 2020	Budget 2021	2021 Actual	2021-2020	2021 Actual - 2021 Budget	RAG Status	Comments for 2021 Actual and Budget 2021 Performance
Interest Income						AMBER	
Deferred Interest						Green	
Interest Expense						AMBER	
Swap Expense/(income)						Green	
Interest Spread (after swap effect)						AMBER	
Interest spread as a % to Revenue - excluding deferred interest						AMBER	
Loan Origination						Green	
Other Income						Green	
Operating Expenses before Loan Loss Provisions						Green	
Provision for Loan Loss						Green	
Other Provisions							
Operating surplus (deficit) before Loan Loss Provisions and other Provisions						Green	
Operating surplus (deficit) before Loan Loss Provisions						Green	

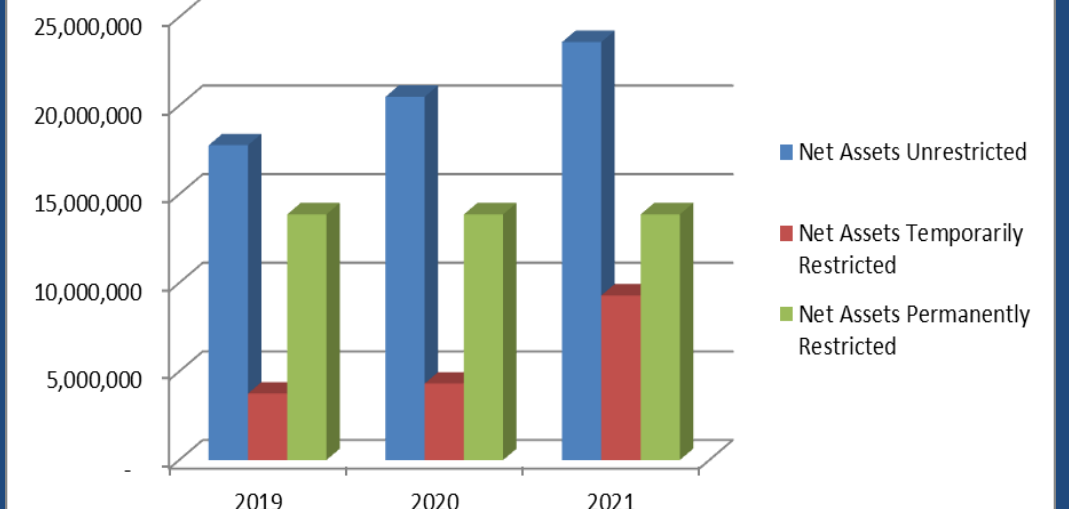
Loan Outstanding



Loan Outstanding



Borrowings



Net Assets

Consolidated Profit and Loss

	2021	2020
Interest income, loans		
Deferments		
Origination fees		
Other Income		
	Total Income	
Interest Expense		
Net effect of Swap - Cash		
Other fees		
	Total Interest Expense	
	Earned revenue	
Operating Expense		
Operating Profit before LLR and other provisions		
Provision other		
Loan Loss reserve		
Other Non Operating Expense		
	Total Expenses - Operating and Non Operating including provisions	
	Total Profit after Operating and Non Operating Expenses	
NWA Grant – Capital		
NWA Grant – Expendable		
CDFI FA Assistance Award		
CDFI CMF Award		
CDFI RRP Program Award		
	Total Grant	
	Increase in Net Assets	

	2021	2020	Change
ASSETS			
Cash and cash equivalents			
Restricted cash			
Investments			
Total cash and investments			
Loans, net of participations sold			
Allowance for loan losses			
Net loans			
Grant Receivable			
Accrued interest receivable			
Origination & other receivables			
Prepaid Expenses			
Premises and equipment, net			
Deferred origination fee			
Other assets			
Foreclosed property			
Accrued gain on interest rate swap/Others			
TOTAL ASSETS			
LIABILITIES			
Notes Payable			
Multibank Fund			
Other Debt			
EQ2			
Total notes payable			
Accounts payable and other accrued expenses			
Accrued interest payable			
Borrower funds held in trust			
Other liabilities			
Total other liabilities			
TOTAL LIABILITIES			
NET ASSETS			
Unrestricted			
Temporarily restricted			
Permanently restricted			
Net income, YTD not including Grant income			
TOTAL NET ASSETS			
TOTAL LIABILITIES AND NET ASSETS			

Cost of Capital

Consolidated Cost of Capital – 2021

Total Average Debt	
Total Interest and fees paid	
Annual Rate	

Total Cost of Capital as March 2021				
		Interest	%	Yearly Cost
Total Average Debt				
Total Average Equity				
Total lending Capital				

	Less than or equal to 2 years	Less than or equal to 4 years	Less than or equal to 5 years	More than 5 Years	Total
Debt					
Total					
Net Assets					
Loan					
Mismatch (inflow minus Outflow)					
Undrawn Amount					

Poll Question #1

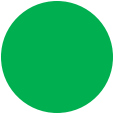


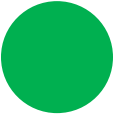
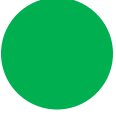

What is the Frequency of reporting to your Board.

- a. Quarterly
- b. Half Yearly
- c. Yearly

Performance Ratios

		Ratios			
		Target	2020	2021	
Capital Ratio					●
Earnings					●
Asset Quality					●
					●
					●
Liquidity					●
					●
Impact					●
					●

Debt and Grant Covenants 2021

Lender 1	
Lender 2	
Lender 3	
Lender 4	
Lender 5	
Lender 6	

Loan Production

Type of Loan (#)	2021 Production	* Total 2020 Production (#)
Interim Loans		
Revolved Interim Loans		
Multi Family Perm Loans		
AHP Sponsored Grant Loans		
Total		

Social Impact Rating - Indicators

Indicators		
Investees	Residents	Community
Access to Alternative Financing	Affordability	Location in a Rural Community
Essential Capital	Support for Extremely Low-Income Populations	Job Creation
Leverage	Safety - Housing	Support for Local Contractors and Contractors Owned by People of Color
Diverse Leadership	Sustainability - Impact on Residents	Sustainability - Impact on the Planet
Women Leadership	Supportive Services	Community - Demographics
Track Record of Delivering Targeted Results	Residents - Race	Community - Socioeconomic Status
	Residents - Underserved Population	Community - Safety
	Scale	Community - Housing Stability
		Community - Education
		Community - Health and Well-being
		Community - Economic Security
		Community - Mobility
		Synergies with Development Efforts
		Stakeholder Engagement
		Risk of Contributing to Gentrification

[illegible]

*June, 2021

CHC Social Impact Rating Portfolio Overview	
Scoring Summary	
Category	Portfolio Median Score

*This data represents loans closed between FY16-FY21(Q3)

Credit Quality

Commercial Portfolio –2021

Total Credit Limit

Average Risk Rating

Risk Rating Matrix

Risk Rating	Excellent	Good	High-Satisfactory	Low-Satisfactory	High-Monitored	Low-Monitored	Impaired
Scale	1.0-1.9	2.0-2.9	3.0-3.4	3.5-3.9	4.0-4.4	4.5-4.9	5.0-5.9

	Categories of Review						
Organization	NWA/OHTS Rating	Management	Financial Condition	R.E Capacity/Asset Management			
Project	Debt Service Coverage (MF/Perm)	SF/For-Sale	Collateral	Market	Take-Out Strategy	Loan Repayment	Development Phase

Risk Rating Portfolio 2021– Outstanding

	<u>Outstanding</u>	<u>Percentage of Portfolio</u>	<u>Number of Loans</u>
Not Rated - Single Family Direct Mortgages			
1.0-1.9 Pass			
2.0-2.9 Pass			
3.0-3.9 Pass			
4.0-4.4 Pass			
4.5-4.9 - Monitored			
5 - Impaired			
TOTAL			

REO Portfolio

NOTE: Totals are net of Participations Sold

(A)

Poll Question #2

With COVID 19 causing major changes in the way we work, do you utilize an online Board portal platform?

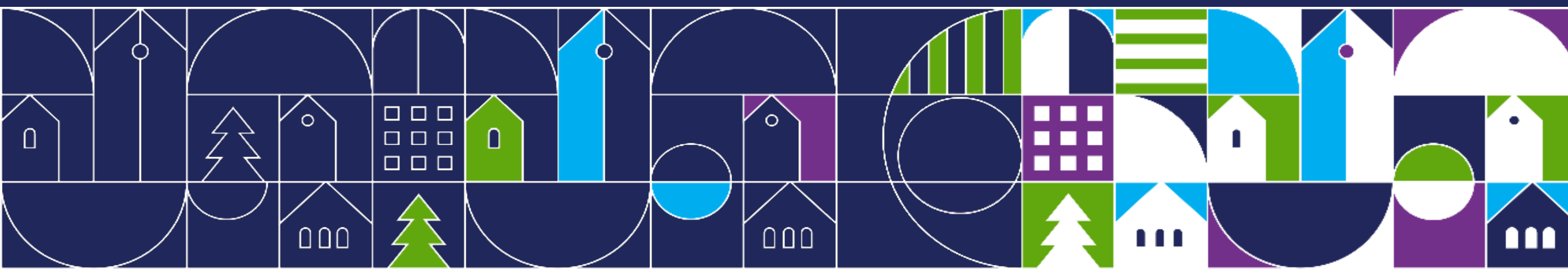
- a. We use a Dashboard Format (meaning a dashboard that is an interactive tool, i.e. with access to underlying data where Board members can drill down to details)
- b. We use online Board meeting reporting format
- c. We don't use an online platform, but are considering implementing one
- d. We don't use an online portal



REPORTING TO THE BOARD – A DASHBOARD PERSPECTIVE

Tatiana Blank, CFO

October 27, 2021





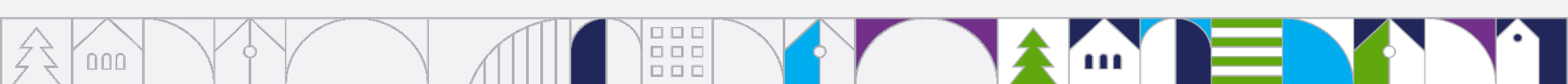
EDEN HOUSING



- California-based non-profit established over 50 years ago
- 150 properties in 15 counties & 50 cities
- 10,000+ homes
- 22,000+ residents



Eden Housing creates and sustains high-quality affordable housing communities that advance equity and opportunity for all





EVOLUTION OF BOARD REPORTING AT EDEN

Started with Financial Statement focus – presenting BS, IS, CF

- * point in time

- * non-financial data presented in detailed report format to various committees

Added financial narrative to tell a story

- * described changes through the fiscal year

Added a dashboard report, added performance against goals

- * numbers heavy

- * still primarily point in time

Switched to a new graphical dashboard report

- * tells a story - visually shows change over time, performance against goals

- * able to include KPIs across business lines





EVOLUTION OF BOARD REPORTING AT EDEN

First dashboard report:

- Numbers heavy
- Many different, but similar measures (focus on cash results)
- Measuring budget vs. actual or change from prior year-end
- Included some KPIs from lines of business

INVESTMENT POLICY	Dec-18	POLICY	+ (-)
Short-Term Reserve (3 months)	\$ 15,630	\$ 5,600	\$ 10,030
Mid-Term Reserve (3 months)	5,736	5,600	136
Long-Term Reserve (6 months)	10,847	11,200	(353)
365 Days of Cash	32,215	22,400	9,815
Mid-Term Reserve:	Dec-18	POLICY	+ (-)
Cash equivalents	26.38%	0.00%	26.38%
Fixed Income	73.62%	100.00%	-26.38%
	100.00%	100.00%	0.00%
Long-Term Reserve:	Dec-18	POLICY	+ (-)
Cash equivalents	9.79%	0.00%	9.79%
Equity	33.42%	40.00%	-6.58%
Fixed Income	55.12%	60.00%	-4.88%
Non-traditional	1.67%	0.00%	1.67%
	100.00%	100.00%	0.00%
**UBS rebalances percentages to react to market conditions.			
YTD Return (UBS)	Act YTD	Bud YTD	+ (-)
YTD Return (UBS)	13	425	(412)
	0.05%		

Financial Dashboard (in thousands)
Eden Housing
December 2018

TOTAL CASH & INVESTMENTS	Dec-18	Dec-17	+ (-)
Operating Cash	\$ 15,630	\$ 12,612	\$ 3,018
Mid-Term/Long-Term Reserves	16,585	14,260	2,325
EO2/LOC Cash	125	1,171	(1,046)
Program Funds	20,010	16,667	3,343
Total Cash & Investments	\$ 52,350	\$ 44,710	\$ 7,640

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YTD Return (UBS)	0.05%		

PROGRAM FUNDS INVESTED	Dec-18	Dec-17	+ (-)
Predevelopment Loans	\$ 4,845	\$ 5,845	\$ (1,000)
Special Projects	875	875	-
Acquisitions/Investments	23,198	17,783	5,415
Neighbor Works	110	110	-
Encumbered	29,028	24,613	4,415
Unencumbered	11,389	9,880	1,509
Total Program Funds	40,417	34,493	5,924

	Act YTD	Bud YTD	+ (-)
YTD Returns	1,886	276	1,610
YTD Returns	5.47%		

EO2/LOC FUNDS INVESTED	Dec-18	Dec-17	+ (-)
Advances for Predev	\$ 4,874	\$ 2,329	\$ 2,545
Unexpended EO2/LOC Cash	126	1,171	(1,045)
Available LOC	2,000	3,500	(1,500)
Total	7,000	7,000	-

Encumbered	5,651	1,700	3,951
Unencumbered	1,349	5,300	(3,951)
Total	7,000	7,000	-

Current borrowing rates (EO2)	2-2.5%	2-2.5%	fixed
Current borrowing rates (LOC)	5.32%	4.30%	1 month LIBO + 2.75%

CREDIT RATIOS	Dec-18	Dec-17	+ (-)
Unencumbered Liquid Assets*	\$ 44,977	\$ 39,159	\$ 5,818
Unencumbered Liquid Ratio*	7.10	8.06	(0.96)
Debt to Assets Ratio	3.12%	2.91%	0.21%

*Cash over unsecured debt

UNITS IN DEVELOPMENT	Dec-18	Dec-17	+ (-)
In Process:	Dec-18	Dec-17	+ (-)
# of units in predevelopment	2,060	1,299	761
# of units in new construction	-	240	(240)
# of units in rehab	359	628	(269)
Completed:	ACTUAL	GOAL	+ (-)
# of units preserved / rehabilitated	628	500	128
# of units acquired	463	300	163
# of new construction units completed	240	200	40

Legend
Favorable
Neutral
Unfavorable

CORPORATE CASH FLOW	ACTUAL	BUDGET	+ (-)
Total Revenue*	\$ 29,684	\$ 25,667	\$ 4,017
Total Expenses*	(19,886)	(22,307)	2,421
Operating Net Income	\$ 9,798	\$ 3,360	\$ 6,438

*Excludes (EEOI) pass-through

EMI CASH FLOW	ACTUAL	BUDGET	+ (-)
Developer Fees	\$ 10,135	\$ 9,503	\$ 632
Surplus Cash from Properties	9,413	5,679	3,734
Grants & Contributions	1,050	1,133	(83)
Investment & Other Income	171	651	(480)
Total Revenue	20,769	16,966	3,803
Total Expenses*	(12,785)	(15,605)	2,820
Operating Net Income	\$ 7,984	\$ 1,361	\$ 6,623

*Includes overhead costs allocable to EMI & EEOI

EHMI CASH FLOW	ACTUAL	BUDGET	+ (-)
Property Management Fees	\$ 8,098	\$ 7,867	\$ 231
Total Expenses*	(6,139)	(5,810)	(329)
Operating Net Income	\$ 1,959	\$ 2,057	\$ (98)

* Includes indirect overhead cost allocation

	Dec-18	Dec-17	+ (-)
Receivable from Properties	\$ 601	\$ 1,166	\$ (565)
Total Units Managed	9,110	8,622	488

EHRSI CASH FLOW	ACTUAL	BUDGET	+ (-)
Services Supervision Fees	\$ 699	\$ 695	\$ 4
Grants & Contributions	118	139	(21)
Total Expenses*	(962)	(892)	(70)
Operating Net Income	\$ (145)	\$ (58)	\$ (87)

* Includes indirect overhead cost allocation

	Dec-18	Dec-17	+ (-)
Receivable from Properties	\$ 73	\$ 168	\$ (95)
2018	GOAL	+ (-)	
Total Residents Served (Family, Senior, and Special Needs)	4,891	3,612	1,279

PROPERTY METRICS	Dec-18	Dec-17	+ (-)
Economic Vacancy	1.96%	2.24%	-0.28%
Total Tenant Accounts Receivable	1,075	1,907	(832)
Tenant AR over 90 Days	474	873	(399)
Subsidy Accounts Receivable	364	1,010	(646)

	ACTUAL	BUDGET	+ (-)
Property Net Operating Income	66,973	62,302	4,671

HEADCOUNT	Dec-18	Open	Total
EHI	133	13	146
EHMI	234	41	275
EHRSI	27	2	29
CHODOs	2	0	2
	396	56	452
2018	GOAL	+ (-)	
Employee Turnover Ratio	29%	25%	4%
# of avg days to fill open position	53	45	8
% of property managers trained in PM101 in first 30-days	96%	100%	-4%



EVOLUTION OF BOARD REPORTING AT EDEN

New/current dashboard report:

- Allow the Board to perform its fiduciary oversight and governance roles vs. management role
- Inspire confidence in the Board that management is monitoring most critical metrics
- Bring visibility to all lines of business / expand board member comfort zones
- Save Board's time with high-level overviews
- Make it easier to identify trends/patters, anomalies over time or between business lines
- Tell a story of the organization – where are we coming from, where are we going, how are we doing, and why this is important



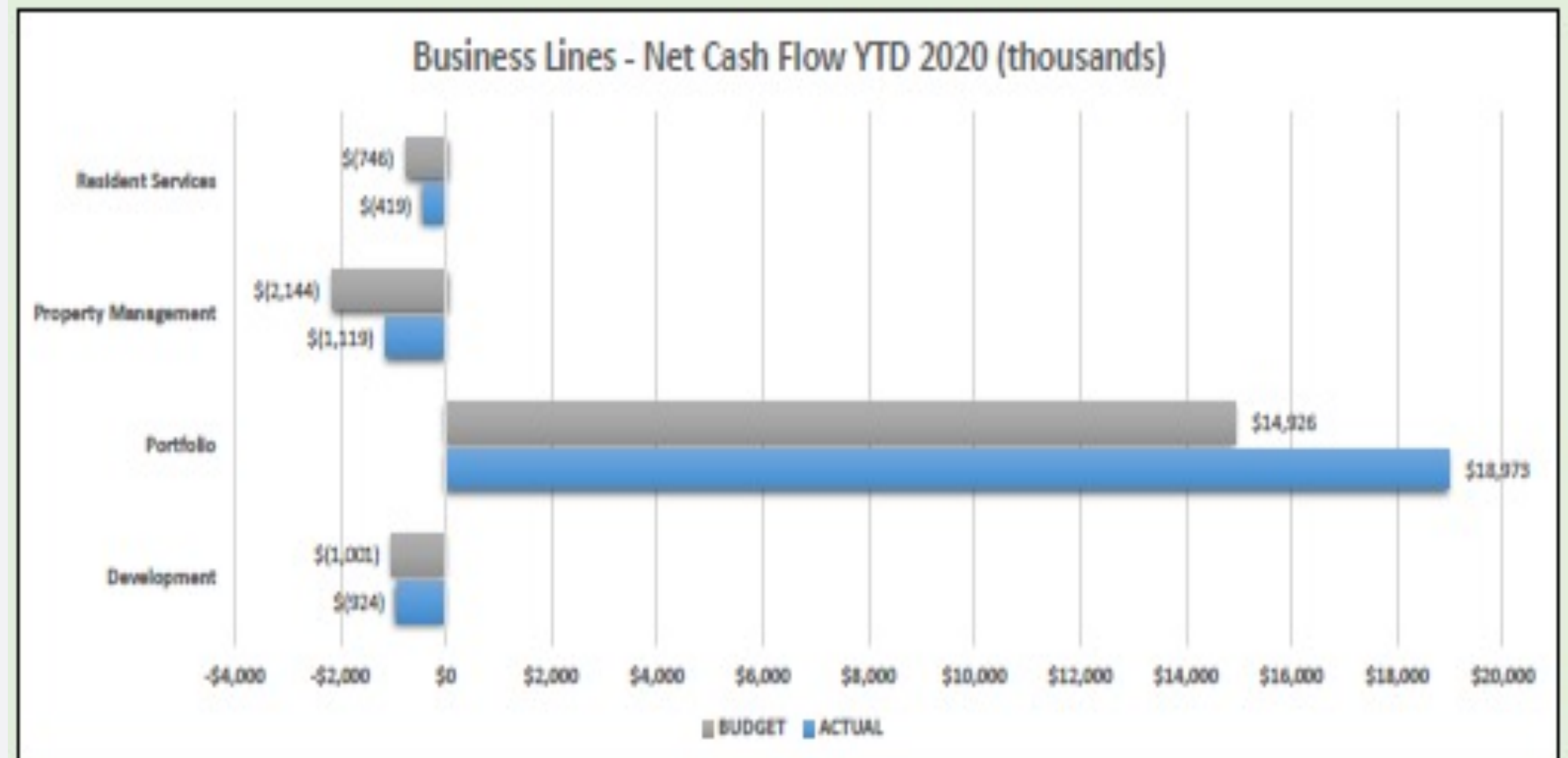
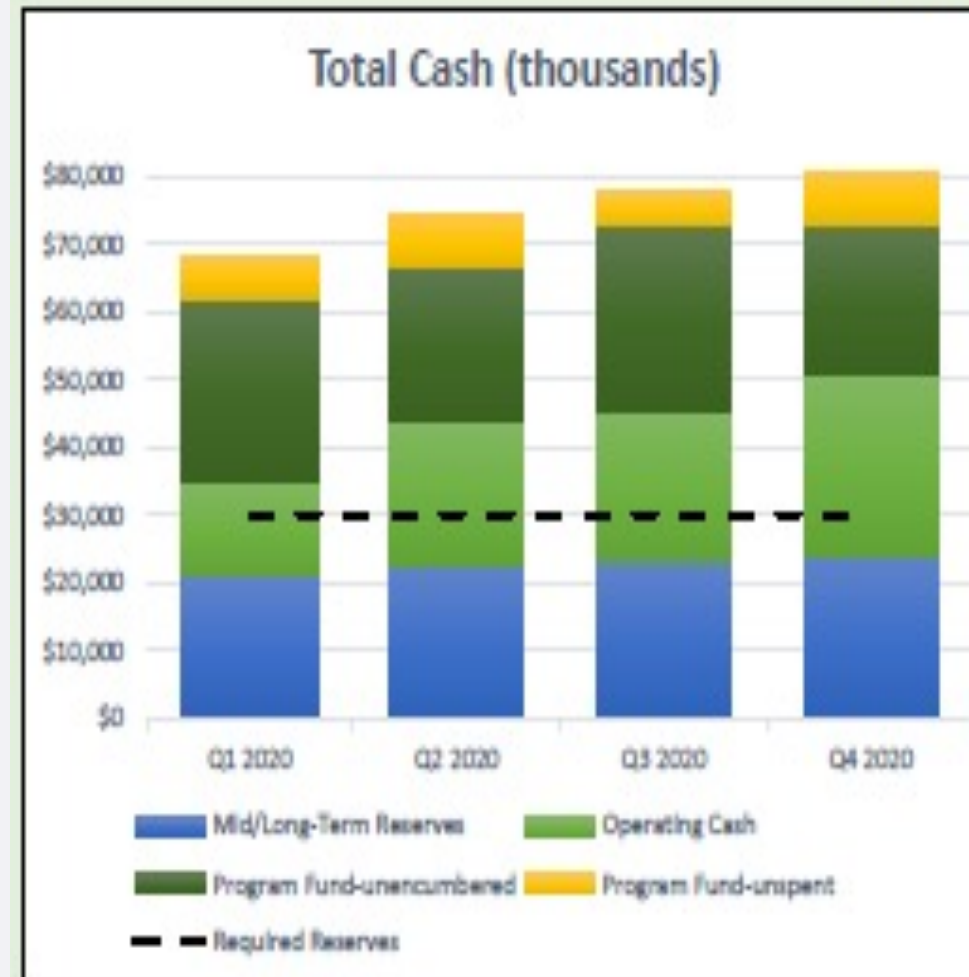


NEW DASHBOARD

Finance:

- Cash reserves
- Corporate revenue/expenses/NOI
- Cash flow by line of business

----- FINANCE -----





NEW DASHBOARD

Property Management:

- A subset of Property Mgmt. KPIs – most important now
- Focusing on occupancy rates – against goals and over time
- Tenant A/R trends

New:

Old:

PROPERTY METRICS	Dec-18	Dec-17	+ (-)	
Economic Vacancy	1.96%	2.24%	-0.28%	↑
Total Tenant Accounts Receivable	1,075	1,907	(832)	↑
Tenant AR over 90 Days	474	873	(399)	↑
Subsidy Accounts Receivable	364	1,010	(646)	↑
	ACTUAL	BUDGET	+ (-)	
Property Net Operating Income	66,973	62,302	4,671	↑

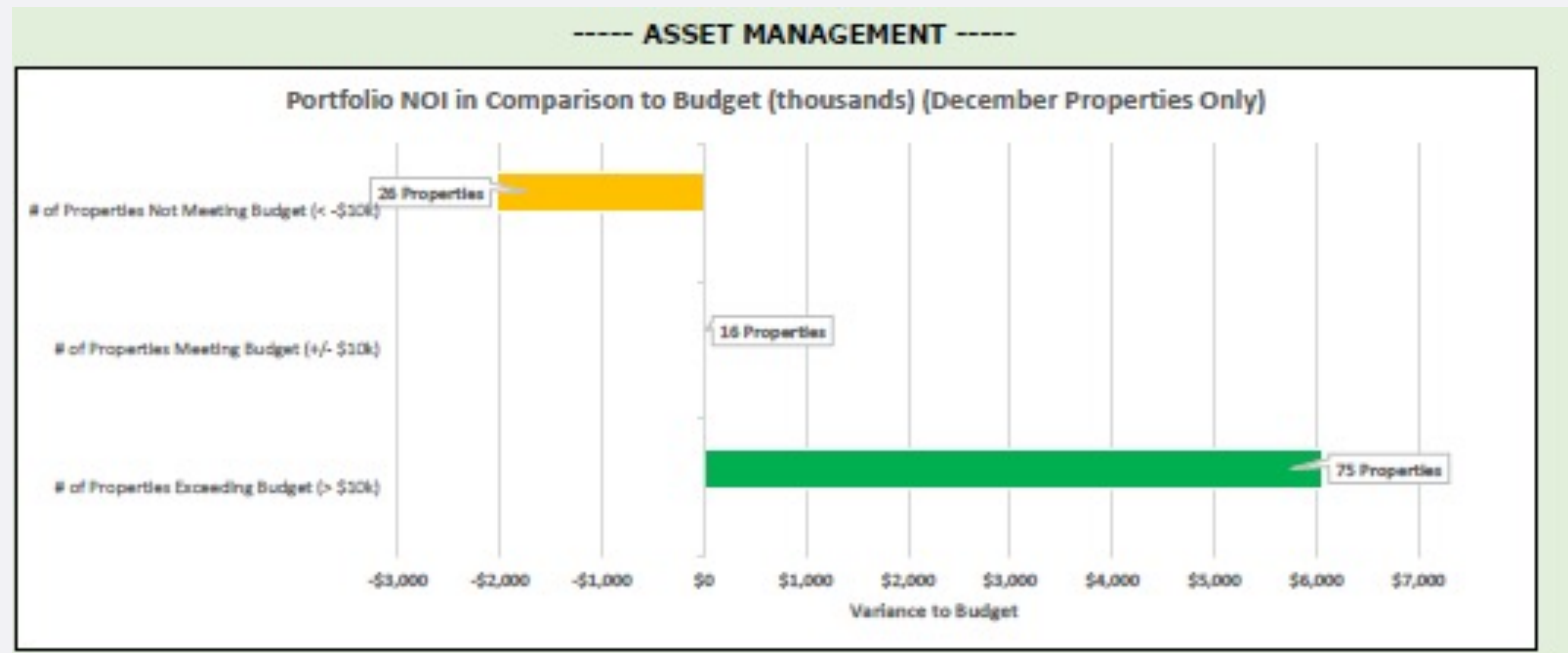




NEW DASHBOARD

Asset Management:

- Portfolio NOI vs. Budget
- Previously looked at totals only; looking at how many properties contribute to positive or negative variances
- In AM working on automation of risk reports; will add KPIs

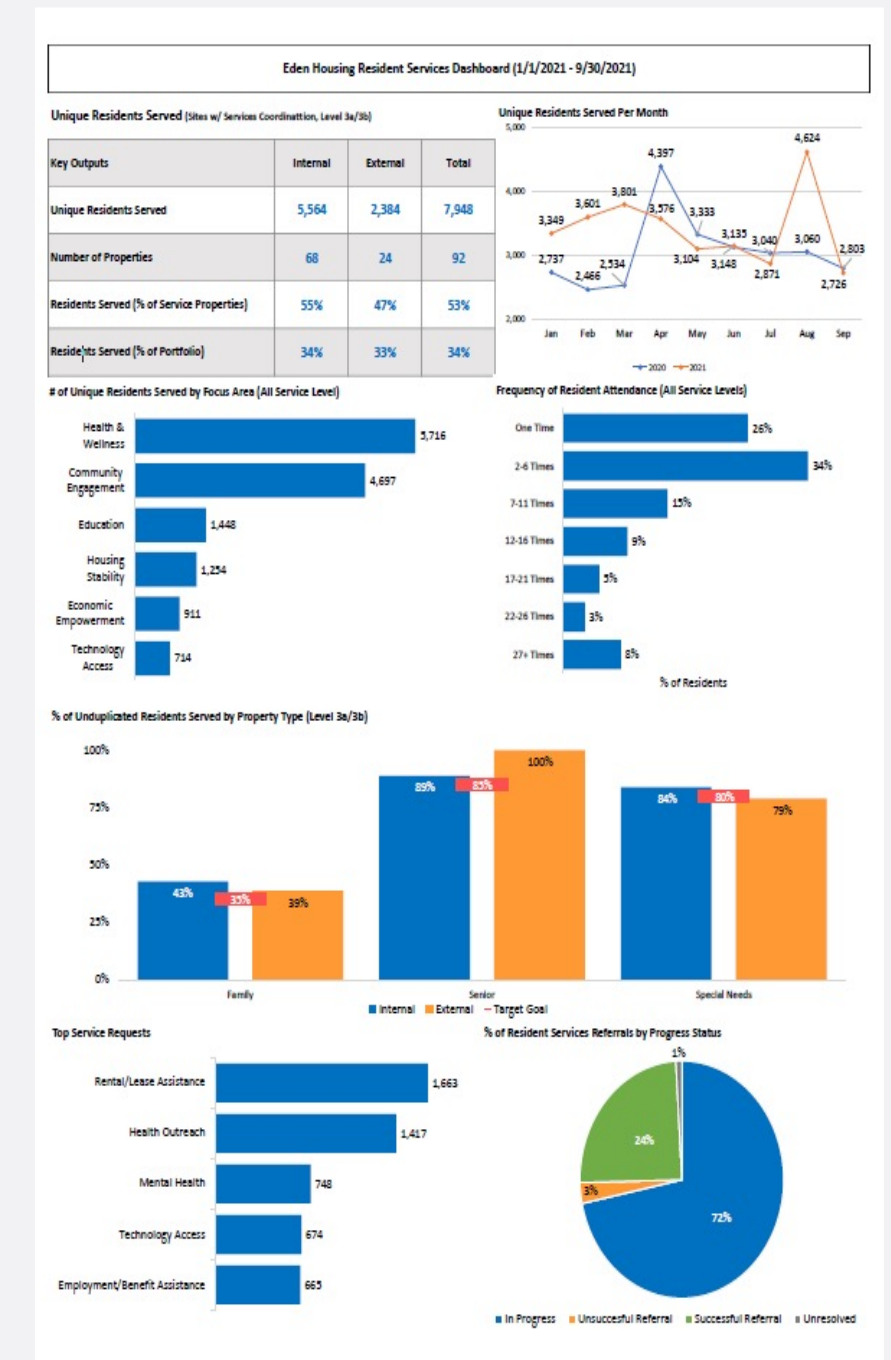
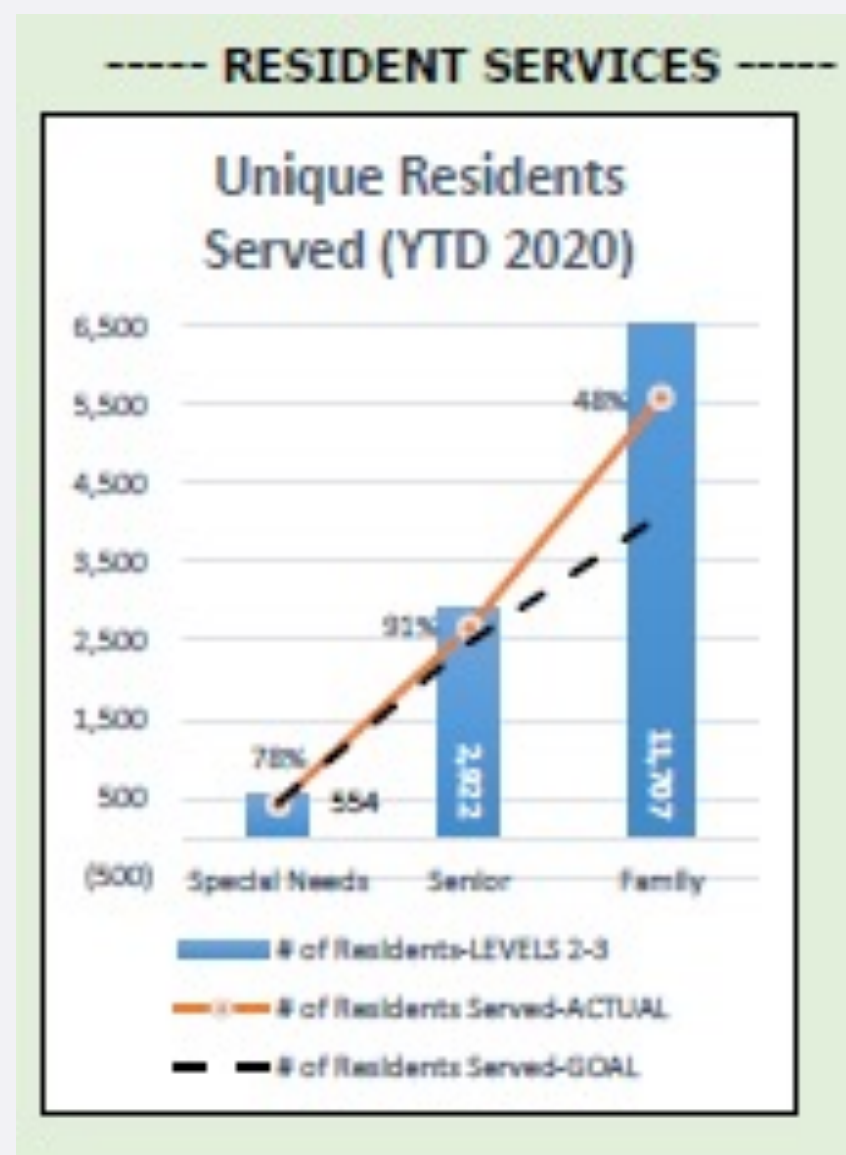




NEW DASHBOARD

Resident Services:

- RS team already uses a robust graphical dashboard to report to RS Committee
- Provide a lot of detail about participation in each program and focus area
- Focused on total residents served against goal

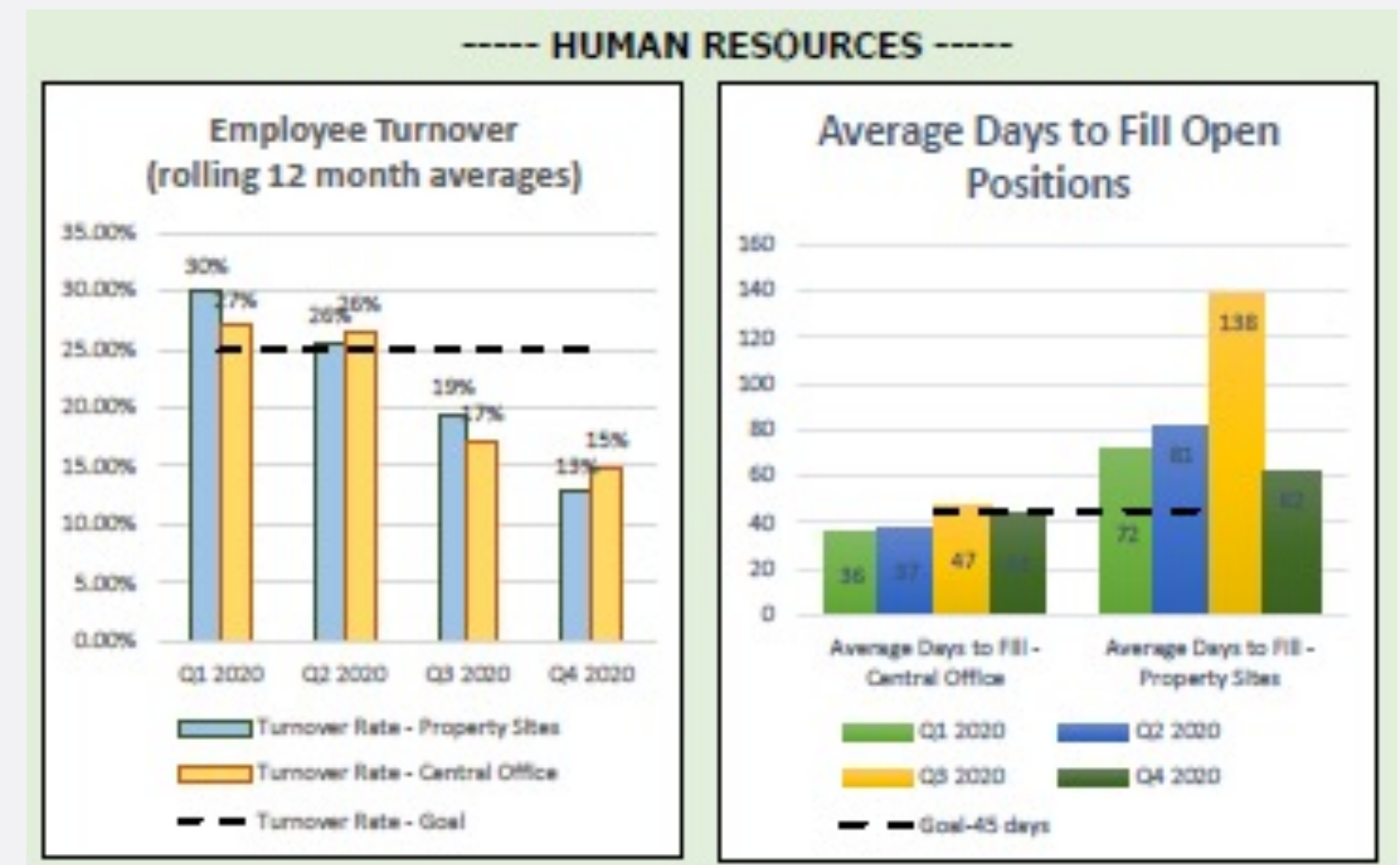




NEW DASHBOARD

Human Resources:

- Important for any organization to measure; was not previously reported to the Board
- Presenting central office employees and property site employees
- Employee turnover and average days to fill positions were selected as KPIs

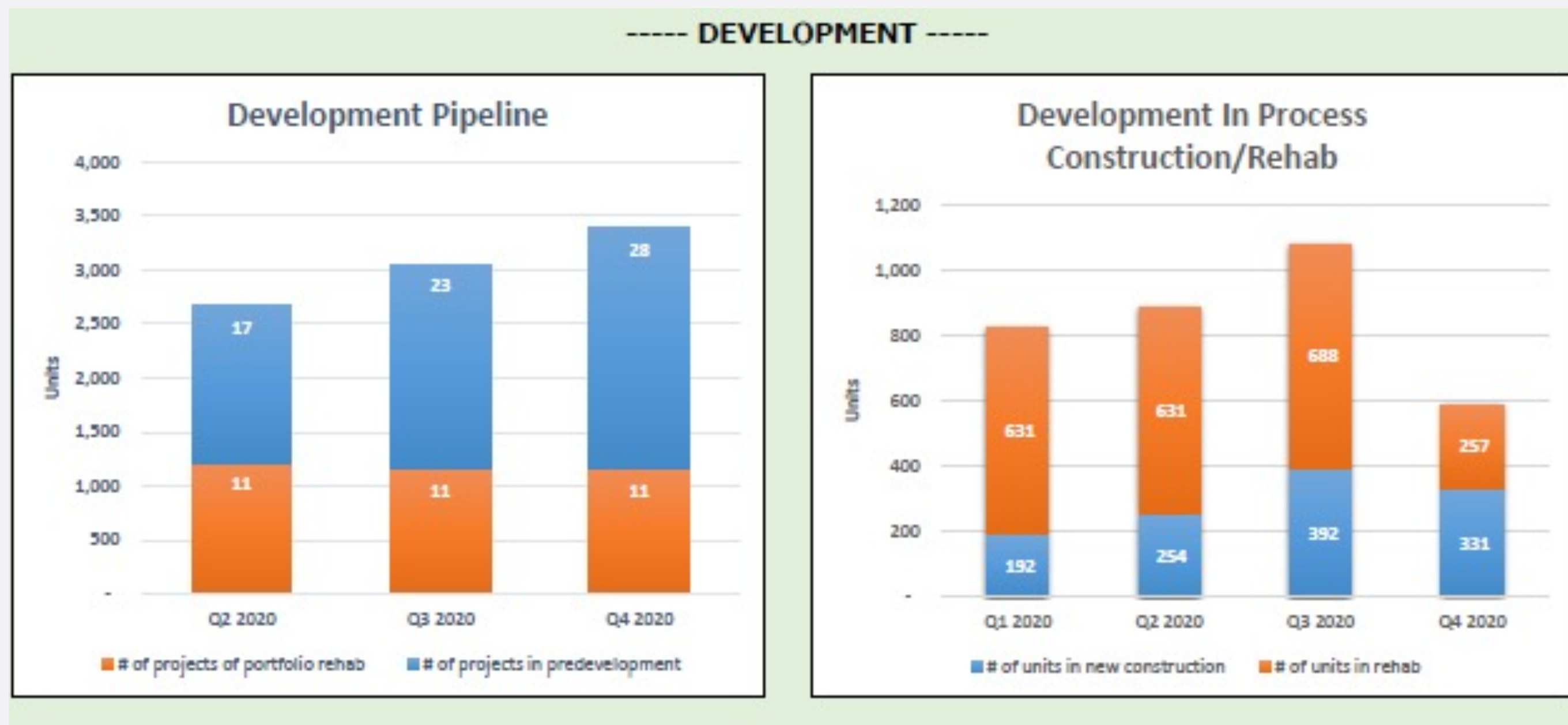




NEW DASHBOARD

Real Estate Development:

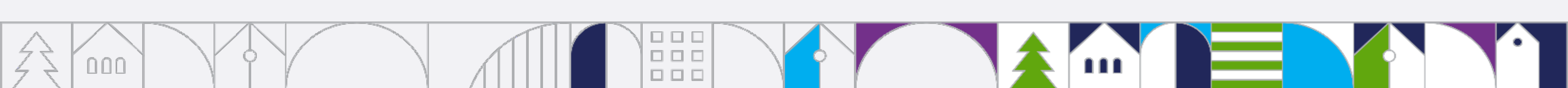
- Both Board and Finance Committee already receive regular, very detailed updates, focusing on risk
- Coming up with KPIs was challenging





BOARD DASHBOARD - NEXT STEPS

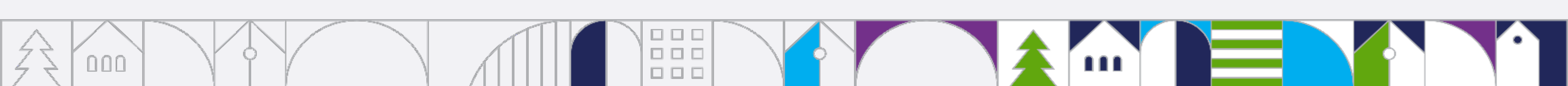
- Eden adopted new strategic plan; revised dashboard to include measurements against strategic plan goals
- Revisit what is most important right now for each team and change KPIs accordingly
- Change colors / type of graph based on user feedback
- Automation – using Power BI or similar tool, to bring data from multiple systems together. Make it a dashboard vs. dashboard report (ability to drill down)





Poll Question #3

- Do you at regular intervals ask the Board for their Feedback on the presentation?
 - a. After every Board meeting
 - b. Once a year





CPE Feedback Poll

- If you are seeking CPEs, please complete this brief feedback poll.
- Note: All registrants will receive links to the conference evaluations via email.
 - Please complete the conference evaluations to request CPE credit and to provide qualitative feedback.

