

**CITY OF NORWICH**  
**COMMUNITY DEVELOPMENT BLOCK GRANT • APPLICATION FOR FUNDING**  
**NON-PUBLIC SERVICE**

**PROGRAM YEAR 2021 (PY 47) • SEPTEMBER 1, 2021 – AUGUST 31, 2022**

**DUE: WEDNESDAY, FEBRUARY 17, 2021 AT 4 PM AT 23 UNION STREET, NORWICH, 2<sup>ND</sup> FLOOR**

Office of Community Development  
23 Union Street, 2<sup>nd</sup> floor • Tel (860) 823-3770 • Fax (860) 823-3715

**RECEIVED**

FEB 17 REC'D

E-mail addresses:

kerees@cityofnorwich.org (Community Development Director)

tcurtis@cityofnorwich.org (Program Assistant)

**PART I: GENERAL INFORMATION**

**AGENCY:** Norwich Housing Authority

**LEGAL NAME**  
(if different from Agency) \_\_\_\_\_

**ADDRESS:** 10 Westwood Park  
Norwich, CT 06360

**E-MAIL:** admin@norwichha.org

**EXECUTIVE DIRECTOR:** Jeffrey S. Arn

**CONTACT NAME & TITLE:** Joanne M. Drag, Deputy Executive Director/Finance Director

**TELEPHONE:** 860-887-1605 Ext. 112

**AGENCY FISCAL YEAR:** April 1, 2021 March 31, 2022  
Begin End

**PROJECT NAME:** Rosewood Manor Roof/Gutter Replacement Phase I

**CDBG REQUEST & AWARD AMOUNTS:**

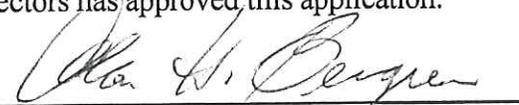
	REQUEST	AWARD
<b>UPCOMING FISCAL YEAR 2021</b> (September 1, 2021 – August 31, 2022)	\$ <u>150,000.00</u>	\$ <u>150,000</u>
<b>CURRENT FISCAL YEAR 2020</b> (September 1, 2020 – August 31, 2021)	\$ <u>100,000.00</u>	\$ <u>100,000.00</u>

The information contained herein and attached as exhibits hereto is, to the best of our knowledge and belief, true, correct and complete and that the City of Norwich can rely upon these statements in determining whether to fund this project. We certify that the Agency Board of Directors has approved this application.

  
\_\_\_\_\_  
**EXECUTIVE DIRECTOR/DEPT. HEAD**

Jeffrey S. Arn, Executive Director  
Printed Name

February 16, 2021  
DATE

  
\_\_\_\_\_  
**PRESIDENT, BOARD OF DIRECTORS**

Alan H. Bergren, Chairman  
Printed Name

February 16, 2021  
DATE





## NORWICH HOUSING AUTHORITY

10 Westwood Park  
Norwich, CT 06360

(860) 887-1605  
FAX: (860) 889-3139

February 16, 2021

Ms. Kathryn Crees  
Community Development Director  
City of Norwich  
Office of Community Development  
23 Union Street, 2nd Floor  
Norwich, CT 06360

Re: Norwich Housing Authority  
Community Development Block Grant Program  
Program Year 2021 (PY 47) – Funding Application  
Rosewood Manor Roof/Gutter Replacement Project Phase I

Dear Kathryn:

Rosewood Manor is a state elderly housing complex maintained by the Norwich Housing Authority (“Authority” or “NHA”), an agency of the City of Norwich. This development was constructed in two phases, 1970 (80 units) and 1981 (30 units), and consists of fourteen (14) apartment buildings, plus a laundry/community building, that house low income state elderly and disabled residents. Rosewood Manor is located at 335 Hamilton Avenue, Norwich, Connecticut.

By utilizing Community Development Block Grant funds (Program Years 43, 44, 45, and 46) along with Authority resources, the Norwich Housing Authority was able to install energy efficient ductless split heat/cool pumps to 110 units at Rosewood Manor to replace inefficient electric baseboard heat and upgrade unit electric panels.

The Authority is hereby applying for \$150,000.00 in funding through the Community Development Block Grant Program Year 47 (“CDBG PY 47”). This request for Phase I (with construction costs of \$224,140.00) will help enable the Authority to replace approximately fifty percent (50%) of the roofs and gutters, or 7 buildings containing 55 +/- units including laundry/community building at Rosewood Manor. The Authority, at its own expense, will have plans prepared for this project along with any environmental testing if needed. If funding is approved by the Community Development Advisory Committee (“CDAC”) and the Norwich City Council, the Authority expects to finish Phase I of the roof replacements no later than June 30, 2022. Phase II, or the balance of the project, will be addressed in CDBG PY 48. It is anticipated that it will cost approximately \$223,706.00 plus additional soft costs to complete Phase II (8 buildings containing 55 +/- units). (See attached application for details.)



This is an Equal Opportunity Housing Program

TTY: 1-800-842-9710

This roof/gutter replacement project is needed in order to preserve and protect the integrity of the buildings at Rosewood Manor. The existing roofs, which are now over 22 years old with three (3) tab shingles, containing one layer of asphalt shingles and a base layer of rolled roofing paper. All openings in each roof, such as vents or exhaust openings, are sealed with flashing. If this project is not undertaken soon, the Authority will end up patching holes in the roofs as a stopgap measure. Leaks will likely cause water damage to ceilings and insulation, which in turn can create mold and other problems in the interior of apartments.

The contractor(s) will be required to submit a Section 3 plan to ensure full compliance with any and all requirements of the Housing and Urban Development Act of 1968.

Funding of the Rosewood Manor Roof/Gutter Replacement Project through the CDBG program will increase the Authority's chances of securing other grant dollars through the State of Connecticut's Department of Housing ("DOH") and the Connecticut Housing Finance Authority ("CHFA"). As an example, funding was secured by the Authority for exterior/interior improvements at Eastwood Court (25 units) (\$1,822,738.00), a state elderly complex. The Authority also secured funds (\$2,156,734.00) to rehabilitate its state elderly development at Schwartz Manor (48 units). In evaluating applications for funding, one of the key criteria the State and CHFA looks at is the level of local support for affordable housing, i.e. Community Development Block Grant funding. Consequently, the Authority's securing of the aforesaid State grant awards for Eastwood Court and Schwartz Manor improved when the Authority's CDBG grant applications were approved for funding by the Community Development Advisory Committee ("CDAC") and the Norwich City Council. In sum, the CDBG funding helped leverage substantial rehabilitation funds for Eastwood Court and Schwartz Manor.

Providing decent, safe and sanitary housing for low income families is the mission of the Authority, the CDAC and the City of Norwich. This application will advance that goal and be a wise and prudent use of CDBG dollars, in keeping with stated program objectives and well-established and documented needs of the residents of our community, as delineated in the Housing and Community Development Act of 1974, as amended, the national objectives of the CDBG program, the CDBG 5-Year Consolidated Plan's priorities and the City's Plan of Conservation and Development. (See application for details).

Attached is the Authority's formal application, which include a detailed project description and budget. Should you need additional information or explanation, I can be reached at (860) 887-1605, Ext. 113. When the CDAC schedules a public hearing(s) regarding CDBG Program Year 2021 (PY 47), please advise the Authority as to the date and time of the same.

Respectfully submitted,

  
Jeffery S. Arr  
Executive Director

**PART II: PROJECT INFORMATION**

**A. INTRODUCTION/AGENCY INFORMATION:**

*A1: Brief History of your organization, including its mission*

In 1948 the City of Norwich Housing Authority ("CNHA") and the Town of Norwich Housing Authority ("TNHA") were established. The CNHA and the TNHA merged in 1988 to form the Norwich Housing Authority ("Authority" or "NHA").

The primary function of the Authority is to provide decent, safe and sanitary housing for eligible families in a manner that promotes the serviceability, economy, efficiency and stability of the developments, and the economic and social well-being of the residents. Today, the Authority manages 686 units of state/federal extremely low income/very low income housing at various locations throughout the City of Norwich ("City"). Most of the Authority's housing stock was built between 1948 and 1989. The main office of the Authority is at 10 Westwood Park, Norwich, CT 06360.

*A2: What are the hours of operation for your agency?*

Normal business hours are Monday – Friday, 8:30 AM to 4:30 PM. Emergency maintenance service for tenants is provided 24 hours per day.

*A3: What is the total number of FTEs employed by your agency?*

There are 21 full time employees and 5 part-time employees.

*A4: If there are 15 or more employees at your agency, please provide the name of the person responsible for compliance with Section 504 of Rehabilitation Act of 1973 – Nondiscrimination under Federal Programs.*

Joanne M. Drag, Deputy Executive Director / Finance Director, 10 Westwood Park, Norwich CT 06360, (860) 887-1605, Extension 112.

*A5: Do you receive more than \$500,000 of Federal Funding through any means, including grants and loans?*

Yes. During the last fiscal year the NHA received \$605,533.00 in operating funds and \$332,255.00 in capital improvement funding from HUD for its federal housing units. These funds cannot be used on state housing projects like Rosewood Manor. The Authority's application for CDBG Program Year 2021 (PY 47) funds applies to Rosewood Manor, a state elderly/disabled housing project. The state does not provide the Authority with annual operating or capital funds.

**B. STATEMENT OF NEED:**

*B1: Define the need to be addressed through your project and how it will address that need of the community. Please comment on how your industry measures success and discuss how you will measure success for this program.*

Rosewood Manor is a State Elderly complex, located at 335 Hamilton Avenue, Norwich, CT. This development was constructed in in two phases in 1970 and 1981 and consists of 14 buildings with 110 apartments housing senior citizens and people with disabilities, plus a laundry/community building. (See Enclosures 1 & 2).

This roof replacement project is needed in order to preserve and protect the integrity of the buildings at Rosewood Manor. The existing roofs, which are now over 22 years old with the old three (3) tab shingles, containing one layer of asphalt shingles and a base layer of rolled roofing paper. All openings in each roof, such as vents or exhaust openings, are sealed with flashing. If this project is not undertaken soon, the Authority will end up patching holes in the roofs as a stopgap measure. Leaks will likely cause water damage to ceilings and insulation, which, in turn, can create mold and other problems in the interior of apartments.

According to the HUD guidelines for FY 2021, all the residents at Rosewood Manor are under low/moderate income levels. Further, all but one resident is regarded as very low income. In addition to the monthly base rent of \$355.00 for an efficiency apartment and \$360.00 for a one bedroom apartment, tenants have to pay utilities (electric). The City is very much in need of affordable housing, consequently, it is imperative that existing resources like Rosewood Manor are preserved.

Replacing the roofs at Rosewood Manor will stabilize those buildings, reduce the need for future repairs/ maintenance and ensure that the 110 units continue to meet the housing needs of the residents of Rosewood Manor, which is the ultimate goal, objective and measure of success of the Authority.

**C. PROJECT DESCRIPTION:**

*C1: Provide a general description of the project for which you are requesting funding, including the list/description of the activities to be performed.*

The Authority is hereby requesting \$150,000.00 in funding through CDBG Program Year 2021 (PY 47) to replace roofs/gutters at Rosewood Manor. (Total Project Construction Costs \$447,900.00) This is a two (2) Phase project. Phase I construction costs of \$224,140.00 includes the removal and replacement of all existing roof shingles, pipe boots, felt underlayment, ice/water shields, rotted plywood sheathing, gutters, downspouts, etc., on approximately fifty percent (50%) of the buildings, or 55 +/- units. (See Enclosure 2 showing site plan with Phase I & II, along with photos of the roofs/gutters and Part III of the application regarding the budget.)

Total construction cost of replacing all the remaining roofs (Phase II), 50% of the buildings, or 55 +/- units at Rosewood Manor is \$223,760.00, as estimated by Capital Studio Architects ("Capital"). (See Enclosure 3.) The Authority does not have funds to undertake this work. Given the projected cost, the decision was made to split the balance of the project into two phases. The NHA will bid the entire project with various options/alternates so as to enable it to replace the worse roofs in Phase I, if needed.

Lastly, the Authority will pay development soft costs to include design, environmental issues and monitoring, advertising and construction supervision/management. (See Part III of the Application-Budget Information.)

*C2: Explain any temporary or permanent relocation of persons or businesses that may result from this project.*

There will be no relocation of persons or businesses.

*C3: Please specify the percentage of requested grant funds that will be used for salaries and the total number of employees hired and/or retained as a result.*

The Authority will not use any CDBG funds for salaries of its staff and will not hire additional individuals relative to this project. At this time, the NHA does not know who the contractor(s) will be or how many employees will be hired and/or retained by said contractor(s) to undertake this work. On roofing projects, the labor cost is normally between 40% to 50% of the total price.

#### **D. TARGET POPULATION/AREA OF BENEFIT**

*D1: Identify and describe the target population or area of benefit, if it serves a low-income census tract.*

The target population is the 110 residents of Rosewood Manor impacted by this project. All of the households have very low/moderate income and 100% have extremely low income. 38% of the households have an income under the Federal Poverty Level. (See enclosures 4 and 5).

#### **E. IMPLEMENTATION SCHEDULE**

*E1: Please submit the anticipated implementation schedule that includes, but is not limited to, spec completion, bidding, starting, and project completion dates.*

The NHA has retained an architect, Capital, to work on this project. After approval by the Community Development Advisory Committee and the Norwich City Council, and the execution of an agreement between NHA and the City, the Authority will bid the project. (The environmental assessment has been completed.) Bids will be opened in the winter of 2022 to allow for a contract signing and construction to begin in the spring. The project will be completed by June 30, 2022, weather permitting.

## **F. REDUCED FUNDING QUESTIONS**

**F1:** *If the CDBG funding that you are requesting will leverage funding from another source, please note the amount and source and use of leveraged funding. Have these additional funds been secured at the time the application is made, if not, what actions are you taking to apply for them?*

Not applicable.

**F2:** *If you do not receive the amount of funds requested from CDBG, how do you propose to administer and/or complete the project in the manner presented?*

If the project is not approved for CDBG PY 47 funding, it will not be done. The State of Connecticut does not provide annual operating or capital dollars for State Elderly properties such as Rosewood Manor. The Authority does not have sufficient funds to undertake this project on its own. Consequently, the Authority will be left to patching and temporarily repairing roofs when they fail. In sum, the project would remain unfinished, leaving the Authority and its elderly/disabled tenants in Rosewood Manor at jeopardy.

**F3:** *What items would you reduce/eliminate from your budget if the City wanted to (only) partially fund your application?*

As described under Section C (Project Description) above, it is estimated that the total construction cost of the replacing roofs under Phase I would be \$224,140.00. Again, the Authority will cover the cost of design, advertising and construction supervision/management. (See Part III of the Application – Budget Information.)

If the budget was reduced, the result would be that fewer buildings would receive a new roof. This would mean that the project would have to be spread out over even more years, resulting in a projected increase in construction costs, as well as additional advertising, document preparation and other related expenses. As a general rule, the larger the project the more likely it is that bids will be competitive and reasonable. Bidding and undertaking the entire project over two years would cost the NHA less than dividing it into more phases.

## **G. PROJECT FEASIBILITY**

**G1:** *Have any of the following pre-construction issues been investigated: architectural and engineering, design, environmental assessment and lead-based paint assessment, if applicable? (Lead-based paint assessments are applicable to structures built before 1978). Please provide the investigations, if available.*

As described above in Sections C1 and E1 and below in Section G2, the Authority has already hired Capital to design the project.

Further, the Authority retained an environmental consultant, Eagle Environmental, Inc., 531 North Main Street, Bristol, CT to test for asbestos in the existing roof and caulking at Rosewood Manor. Its previous projects report indicates there is a minor amount of asbestos present in the flashing cement, which will be addressed during the roof replacement project.

Lead testing was undertaken at Rosewood Manor for a previous capital project and all necessary remediation work was completed at that time. Therefore, lead paint will not impact this project.

**G2:** *Have you obtained a cost estimate for this project? Please include the cost estimate, with the specification to the estimating entity that the job will require the payment of prevailing (Davis Bacon) wages.*

A cost estimate for the project has been prepared by David Holmes, Principal, Capital Studio Architects, LLC, 1379 Main Street, East Hartford, CT 06108. (See Enclosure 3.) The aforesaid assumed that Davis Bacon prevailing wage rates would apply to the project.

**G3:** *Can the project expend funds within 1-year and be fully completed within 1.5 years of receiving this grant?*

It is anticipated that work will be finished by June 30, 2022, weather permitting. The Authority will fully comply with all of the CDBG special instructions for construction projects. (See, also, Section E above.)

## **H. LINKAGE TO CITY PLANS**

**H1:** *Briefly discuss how your request addresses the City's Plan of Conservation and Development – 2013 Draft, CDBG's Consolidated Plan priorities, or any other City development plan or formally stated goal.*

The City and the CDAC have recognized and documented on numerous occasions and in various ways the need for affordable housing. Preserving 110 units of extremely low income and very low income housing is a top priority for the Authority and the City. Failure to do so could significantly impact the City's homeless crisis. This application for funding is consistent with the priorities, goals and objectives already established by the Authority, the Norwich City Council, the Community Development Advisory Committee, the Community Development Act of 1974, as amended, the CDBG 5-Year Consolidated Plan and the 2021 draft of the City's Plan of Construction and Development.

The Housing and Community Development Act of 1974 (“the Act”) created the CDBG program. Factors that determine an individual community’s eligibility for funding include poverty and age of housing. Activities funded must meet certain requirements, including that each activity addresses one or more of three national goals and objectives of the program, namely, providing decent affordable housing, creating a suitable living environment or expanding economic opportunities. Entitlement communities such as Norwich must give maximum feasible priority to activities which benefit low and moderate income persons. The aforesaid goals and objectives are incorporated and made part of the CDBG 5-Year Consolidated Plan. Funding this application will ensure decent, affordable housing in a suitable, safe, living environment for the 110 low and very low income residents of Rosewood Manor.

The City’s Plan of Conservation and Development (“the Plan”) points out that “Norwich has prospered most over the years when it has focused on providing for the common good of its residents and the general betterment of the community.” It urges “protecting and enhancing the character of residential neighborhoods.” To attain that objective, the Plan stresses the importance of “maintaining stable residential neighborhoods,” with a particular emphasis on “maintenance/improvement of the existing housing stock.” Under the section entitled “Guide Housing Development,” a key component and strategy is to “continue to provide for the creation and maintenance of housing which is affordable.” The Authority’s request for CDBG PY 47 funds to replace roofs at Rosewood Manor is both consistent with and supportive of the goals, objectives and strategies contained in the Plan.

The City’s Five Year Consolidated Plan and Annual Plan (“ConPlan”) state in the Introduction that their purpose is “to develop a viable community by (1) providing decent, affordable and safe housing principally for low and moderate income persons.” The same includes “... conserving and improving existing housing ...” Public comment on the ConPlan “... express concerns ... such as housing quality and affordability.” More specifically, it addressed housing needs and concerns such as “targeted housing revitalization ... rental housing rehabilitation ... and quality of the affordable housing stock and supply...” In sum, the ConPlan concluded that “the overall goal was to develop a viable city community by providing decent housing... principally for low and moderate income persons.”

The ConPlan’s Needs Assessment noted that the “housing cost burden of renters and owners with incomes of less than 30% of area median income is the largest housing burden in the City of Norwich.” It concluded that “... available funding needs to focus on increasing the quality and safety of the existing housing stock... and decreasing the housing cost burden for residents.” The aforesaid highlights the plight of the majority of the residents of Norwich Housing Authority.

The ConPlan states that “low income residents largely depend on local housing authorities for access to affordable housing and related services.” It acknowledges the Rosewood Manor Roof Project for safety of all is a capital needs priority of the NHA. Further, the ConPlan points out that “... the number of individuals seeking affordable housing ... in Norwich ... has grown and that “there is ... a lack of funding to meet the public housing needs within the City. Therefore, the Norwich Housing Authority units work to protect the most at-risk populations by providing safe housing that benefits their needs.”

The ConPlan recognizes that the NHA places a high priority on maintaining and rehabbing existing developments. The Authority strives to balance the needs of residents versus the economic realities facing all public housing authorities. The goal is to retain the existing affordable housing stock and reduce the cost burden for extremely low income and very low income renter households. The Rosewood Manor Roof Project clearly meets the established objectives of the ConPlan, namely, Goal 1 to provide, affordable and safe housing.

Last, but not least, the ConPlan stresses that "the city is very much in need of affordable housing and, consequently, it is imperative that existing resources are preserved and kept affordable and safe to those with very limited resources (like the residents of Norwich Housing Authority). "In sum, the ConPlan determined that "maintaining decent safe housing for low income and disabled individuals is much less expensive than having to maintain the same individuals in shelters, hospitals, or at assisted living facilities at government's expense. The maintenance of this housing at affordable levels keeps the cost of this service within reasonable limits for the government."

The Office of Community Development, with public input, developed in 2012 an "Analysis of Impediments to Fair Housing Choice, which reiterated that "the Housing and Community Development Act of 1974 clearly states that the intent of Congress was that the primary objective of the act and of the communities, by providing decent safe housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income."

**The Authority's request for CDBG Program Year 2021 (PY 47) funds to promote a safe environment is both consistent with and supportive of the goals, objectives, priorities and strategies contained in the City's Plan of Conservation and Development and the CDBG's Consolidated Plan.**

**H2:** *If your project is linked to specific, adopted neighborhood revitalization zone plan or other organized/recognized neighborhood planning or revitalization processes, please explain thoroughly how the project is linked and how it meets or compliments the respective plan's goals.*

(See Section H1 above.)

**H3:** *Do you have a letter of support from a City agency or commission? If yes, please attach.*

Yes. Board of Commissioners. (See Enclosure 6.)

**I. SECTION 3 REQUIREMENTS**

*The work to be performed under any contract utilizing CDBG funding may be subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered*

*by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons.*

*Please review page 11, "Section 3 Contractor Affidavit" and select the appropriate response. In addition, please note that if funding is approved, your contract may be required to review, implement and report on employment activities relating to Section 3 guidelines.*

The Authority will require contractors that bid on the ductless split project at Rosewood Manor to have a Section 3 plan that conforms to Section 3 of the Housing and Urban Development Act of 1968. The NHA will not know the contractor(s) until the project is bid this winter.

**COMMUNITY DEVELOPMENT NATIONAL OBJECTIVE**

Does your project:

Address the needs of low- and/or moderate-income residents?  
 (At least 51% of your clients must not exceed the income guidelines below or if your project is not client based it must be located in a census tract that is at least 51% low to moderate income) see chart

OR

Eliminate Slums or Blight?

OR

Improve a Low-Income census tract?

FY 2020 Income Limit Area	FY 2020 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Norwich-New London, CT HUD Metro FMR Area	Very Low (50%) Income Limits	\$35,950.00	\$41,500.00	\$46,200.00	\$51,300.00	\$54,450.00	\$59,550.00	\$63,650.00	\$67,750.00
Median Family Income  \$91,800	Extremely Low Income Limits	\$21,600.00	\$24,650.00	\$27,750.00	\$30,800.00	\$33,300.00	\$35,750.00	\$39,640.00	\$44,120.00
	Low (80%) Income Limits	\$54,950.00	\$62,800.00	\$70,650.00	\$78,500.00	\$84,800.00	\$91,100.00	\$97,350.00	\$103,650.00

**PART III: BUDGET INFORMATION (PY 47)**

**CONSTRUCTION BUDGET**

Rosewood Manor Roof/Gutter Replacement Project Phase I

Construction/Clean-up Costs		\$ <u>224,140.00</u>
Legal	\$ <u>NA</u>	
Architectural & Engineering	\$ <u>22,500.00</u>	
Printing, Advertising	\$ <u>1,500.00</u>	
Survey	\$ <u>NA</u>	
Environmental Testing	\$ <u>NA</u>	
Asbestos Removal	\$ <u>NA</u>	
Construction Supervision	\$ <u>12,000.00</u>	

Estimated Total Soft Costs \$ 36,000.00

Total Development Costs (construction & soft costs) \$ 260,140.00

Sources of Funds (list all sources of funding for his project including other government funds, agency cash, private funds, CDBG, etc.)

SOURCE	AMOUNT
SOURCE	AMOUNT
<u>CDBG Program Year 2021 (PY 47)</u>	\$ <u>150,000.00</u>
<u>NHA</u>	\$ <u>110,140.00</u>
_____	\$ _____

USE	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

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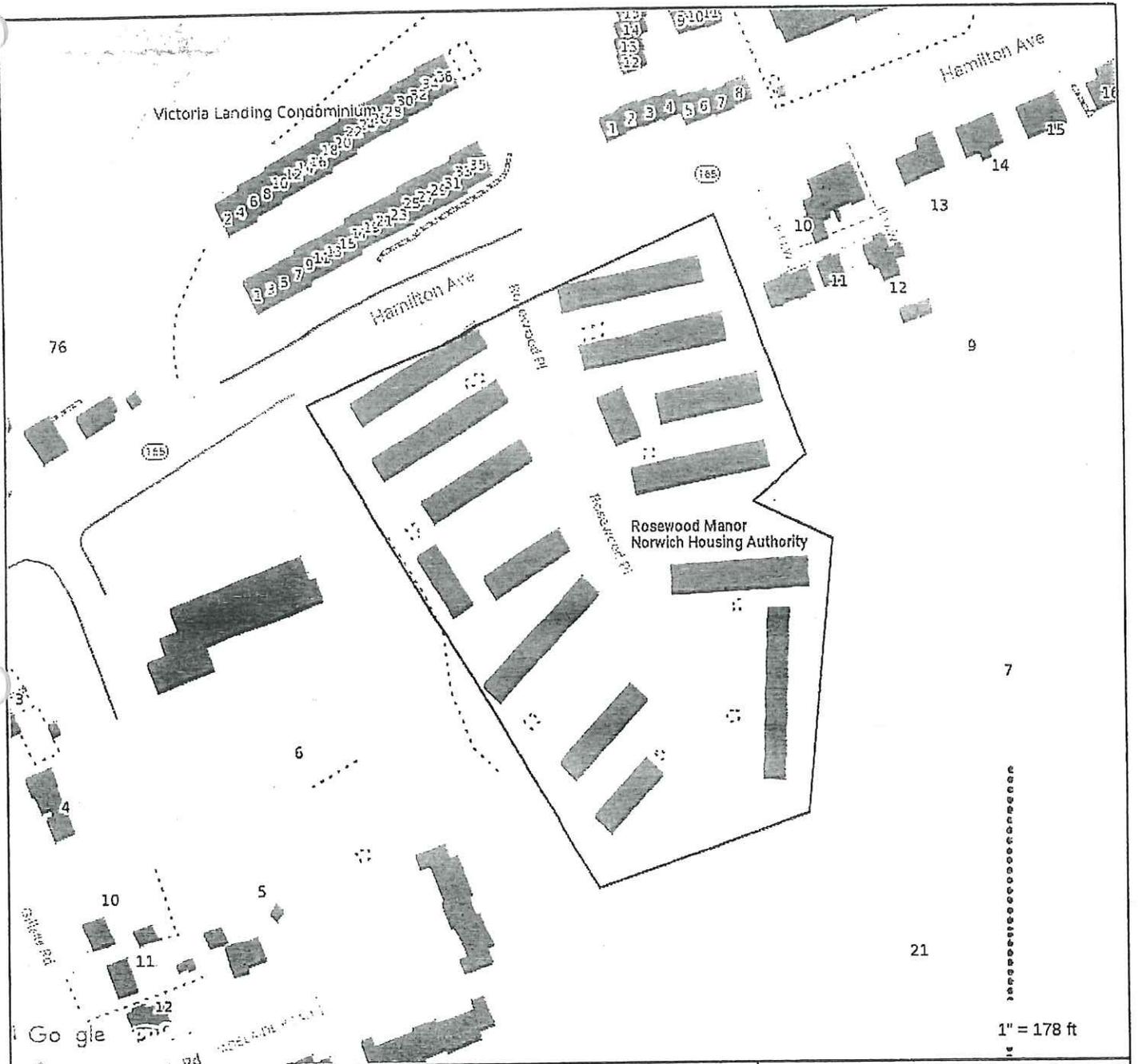
## LIST OF ENCLOSURES

- Enclosure 1: Location map for Rosewood Manor
- Enclosure 2: Site Plan Phase I & II and Roof Photos
- Enclosure 3: Cost Study
- Enclosure 4: HUD Income Levels relating to residents &  
Federal Poverty Levels relating to residents
- Enclosure 5: Federal Poverty Level Guideline
- Enclosure 6: Resolution

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MAP FOR REFERENCE ONLY  
NOT A LEGAL DOCUMENT

City of Norwich, CT makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Geometry updated 1/22/2019  
Data updated 1/22/2019

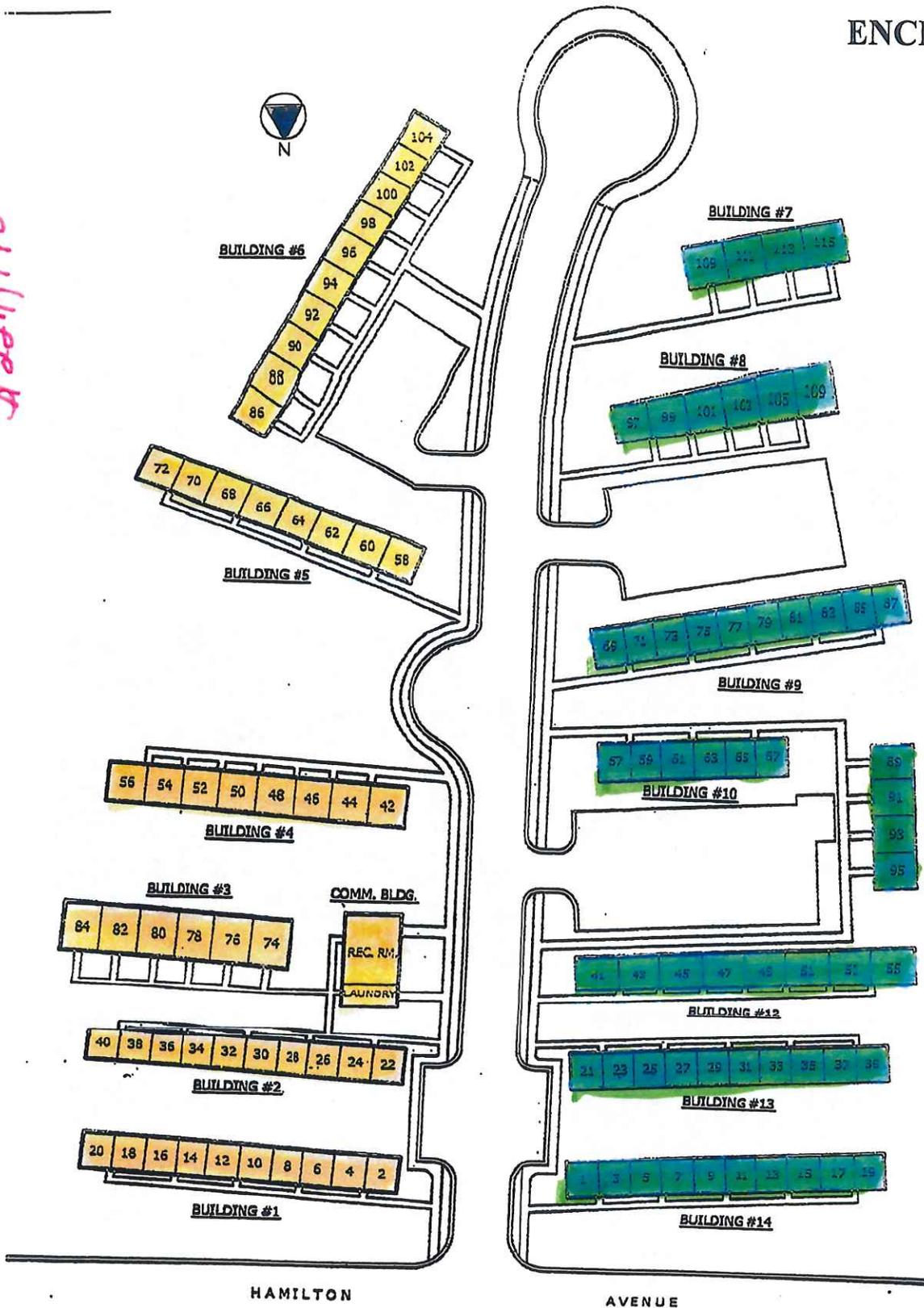
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Buildings #1-6 in Yellow Phase I Estimated Construction Costs \$224,140 -

Buildings #7-14 in Green Phase II Estimated Construction Costs \$233,760 -



SITE PLAN

Rosewood Manor E-32 and 144

335 Hamilton Avenue

Orwich, Connecticut 06360

ROSEWOOD ROOFS AND GUTTERS



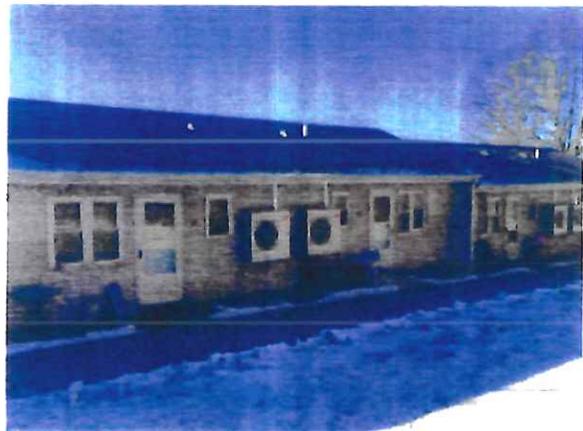
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Bldg 1



Bldg 5



Bldg 6



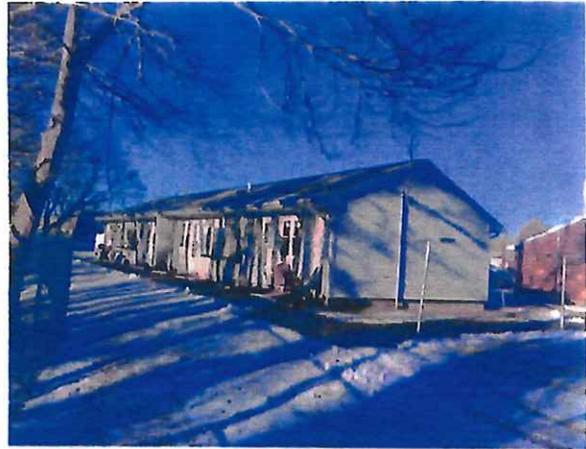
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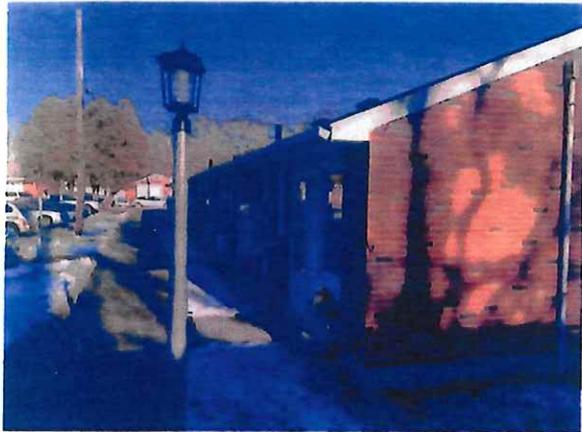
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Bldg 9



Bldg 11



Bldg 10



Bldg 13



Bldg 13



Bldg 13





1379 Main Street  
 East Hartford, CT 06108  
 860.289.3262 - phone  
 860.289.3163 - fax  
[capitalstudio.net](http://capitalstudio.net)

2 February 2021

Mr. John Mainville  
 Modernization Coordinator  
 Norwich Housing Authority  
 10 Westwood Park  
 Norwich, CT 06360

RE: Roof Replacement at Rosewood Park – Cost Estimate

Dear Mr. Mainville:

The following is my estimated costs for the roof replacement at Rosewood Park. The scope includes removal of the existing roofing systems, installation of new architectural asphalt roofing and accessories, replacement of gutters and leaders, replacement of aluminum rakes and replacement of fascias and soffits;

<input type="checkbox"/> <u>Buildings 1, 2, 9, 13 and 14</u>	\$36,000 x 5	\$180,000
<input type="checkbox"/> <u>Building 3</u>	\$27,800	\$ 27,800
<input type="checkbox"/> <u>Buildings 4, 5 and 12</u>	\$35,250 x 3	\$105,750
<input type="checkbox"/> <u>Building 6</u>	\$39,840	\$ 39,840
<input type="checkbox"/> <u>Building 7</u>	\$16,950	\$ 16,950
<input type="checkbox"/> <u>Building 8</u>	\$24,450	\$ 24,450
<input type="checkbox"/> <u>Building 10</u>	\$22,920	\$ 22,920
<input type="checkbox"/> <u>Building 11</u>	\$16,190	\$ 16,190
<input type="checkbox"/> <u>Community Building</u>	\$14,000	\$ 14,000
<input type="checkbox"/> <u>Total</u>		<b>\$447,900</b>

I hope this information is helpful. If you have any questions, please contact me.

Regards,  
 Capital Studio Architects, LLC.

David Holmes  
 Partner

Rosewood Roof – Cost Estimate.doc

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2019 - 2020		ORIGINAL		HUD Extremely Low Income		HUD Very Low Income		HUD Low/Mod Income		FED Poverty Level	
Address	# in Family	Income	Low Income	%	Income	%	Income	%	Level	%	
	1		\$ 21,600	0.00	\$ 35,950	0.00	\$ 54,950	0.00	\$ 12,760	0.00	
	2		\$ 24,650	0.00	\$ 41,050	0.00	\$ 62,800	0.00	\$ 17,240	0.00	
ROSEWOOD MANOR - Address		# in Family	Actual Income	HUD Income Guide	%	HUD Income Guide	50%	Income Guide	80%	FED Income Guide	%
1	335 Hamilton Ave.	1	\$ -	\$ 21,600	0.00	\$ 35,950	0.00	\$ 54,950	0.00	\$ 12,760	0.00
2	335 Hamilton Ave.	1	\$ 5,604	\$ 21,600	0.26	\$ 35,950	0.15	\$ 54,950	0.10	\$ 12,760	0.44
3	335 Hamilton Ave.	1	\$ 7,104	\$ 21,600	0.33	\$ 35,950	0.20	\$ 54,950	0.13	\$ 12,760	0.56
4	335 Hamilton Ave.	1	\$ 8,448	\$ 21,600	0.39	\$ 35,950	0.23	\$ 54,950	0.15	\$ 12,760	0.66
5	335 Hamilton Ave.	1	\$ 8,568	\$ 21,600	0.40	\$ 35,950	0.24	\$ 54,950	0.16	\$ 12,760	0.67
6	335 Hamilton Ave.	1	\$ 8,688	\$ 21,600	0.40	\$ 35,950	0.24	\$ 54,950	0.16	\$ 12,760	0.68
7	335 Hamilton Ave.	1	\$ 8,772	\$ 21,600	0.41	\$ 35,950	0.24	\$ 54,950	0.16	\$ 12,760	0.69
8	335 Hamilton Ave.	1	\$ 9,252	\$ 21,600	0.43	\$ 35,950	0.26	\$ 54,950	0.17	\$ 12,760	0.73
9	335 Hamilton Ave.	1	\$ 9,252	\$ 21,600	0.43	\$ 35,950	0.26	\$ 54,950	0.17	\$ 12,760	0.73
10	335 Hamilton Ave.	1	\$ 9,456	\$ 21,600	0.44	\$ 35,950	0.26	\$ 54,950	0.17	\$ 12,760	0.74
11	335 Hamilton Ave.	1	\$ 9,492	\$ 21,600	0.44	\$ 35,950	0.26	\$ 54,950	0.17	\$ 12,760	0.74
12	335 Hamilton Ave.	1	\$ 9,516	\$ 21,600	0.44	\$ 35,950	0.26	\$ 54,950	0.17	\$ 12,760	0.75
13	335 Hamilton Ave.	1	\$ 9,516	\$ 21,600	0.44	\$ 35,950	0.26	\$ 54,950	0.17	\$ 12,760	0.75
14	335 Hamilton Ave.	1	\$ 9,518	\$ 21,600	0.44	\$ 35,950	0.26	\$ 54,950	0.17	\$ 12,760	0.75
15	335 Hamilton Ave.	1	\$ 9,518	\$ 21,600	0.44	\$ 35,950	0.26	\$ 54,950	0.17	\$ 12,760	0.75
16	335 Hamilton Ave.	1	\$ 9,620	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.75
17	335 Hamilton Ave.	1	\$ 9,636	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.76
18	335 Hamilton Ave.	1	\$ 9,749	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.76
19	335 Hamilton Ave.	1	\$ 9,756	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.76
20	335 Hamilton Ave.	1	\$ 9,756	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.76
21	335 Hamilton Ave.	1	\$ 9,756	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.76
22	335 Hamilton Ave.	1	\$ 9,756	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.76
23	335 Hamilton Ave.	1	\$ 9,760	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.76
24	335 Hamilton Ave.	1	\$ 9,761	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.76
25	335 Hamilton Ave.	1	\$ 9,768	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.77
26	335 Hamilton Ave.	1	\$ 9,772	\$ 21,600	0.45	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.77
27	335 Hamilton Ave.	1	\$ 9,858	\$ 21,600	0.46	\$ 35,950	0.27	\$ 54,950	0.18	\$ 12,760	0.77
28	335 Hamilton Ave.	1	\$ 9,936	\$ 21,600	0.46	\$ 35,950	0.28	\$ 54,950	0.18	\$ 12,760	0.78
29	335 Hamilton Ave.	1	\$ 10,032	\$ 21,600	0.46	\$ 35,950	0.28	\$ 54,950	0.18	\$ 12,760	0.79
30	335 Hamilton Ave.	1	\$ 10,140	\$ 21,600	0.47	\$ 35,950	0.28	\$ 54,950	0.18	\$ 12,760	0.79
31	335 Hamilton Ave.	1	\$ 10,788	\$ 21,600	0.50	\$ 35,950	0.30	\$ 54,950	0.20	\$ 12,760	0.79
32	335 Hamilton Ave.	1	\$ 10,824	\$ 21,600	0.50	\$ 35,950	0.30	\$ 54,950	0.20	\$ 12,760	0.85
33	335 Hamilton Ave.	1	\$ 10,860	\$ 21,600	0.50	\$ 35,950	0.30	\$ 54,950	0.20	\$ 12,760	0.85
34	335 Hamilton Ave.	1	\$ 10,872	\$ 21,600	0.50	\$ 35,950	0.30	\$ 54,950	0.20	\$ 12,760	0.85
35	335 Hamilton Ave.	1	\$ 11,024	\$ 21,600	0.51	\$ 35,950	0.31	\$ 54,950	0.20	\$ 12,760	0.86
36	335 Hamilton Ave.	1	\$ 11,050	\$ 21,600	0.51	\$ 35,950	0.31	\$ 54,950	0.20	\$ 12,760	0.87
37	335 Hamilton Ave.	1	\$ 11,400	\$ 21,600	0.53	\$ 35,950	0.32	\$ 54,950	0.21	\$ 12,760	0.89
38	335 Hamilton Ave.	1	\$ 11,616	\$ 21,600	0.54	\$ 35,950	0.32	\$ 54,950	0.21	\$ 12,760	0.91
39	335 Hamilton Ave.	1	\$ 11,676	\$ 21,600	0.54	\$ 35,950	0.32	\$ 54,950	0.21	\$ 12,760	0.92
40	335 Hamilton Ave.	1	\$ 12,444	\$ 21,600	0.58	\$ 35,950	0.35	\$ 54,950	0.23	\$ 12,760	0.98
41	335 Hamilton Ave.	1	\$ 12,636	\$ 21,600	0.59	\$ 35,950	0.35	\$ 54,950	0.23	\$ 12,760	0.99
42	335 Hamilton Ave.	1	\$ 12,660	\$ 21,600	0.59	\$ 35,950	0.35	\$ 54,950	0.23	\$ 12,760	0.99
43	335 Hamilton Ave.	1	\$ 12,764	\$ 21,600	0.59	\$ 35,950	0.35	\$ 54,950	0.23	\$ 12,760	1.00
44	335 Hamilton Ave.	1	\$ 12,849	\$ 21,600	0.59	\$ 35,950	0.36	\$ 54,950	0.23	\$ 12,760	1.01
45	335 Hamilton Ave.	1	\$ 12,936	\$ 21,600	0.60	\$ 35,950	0.36	\$ 54,950	0.24	\$ 12,760	1.01
46	335 Hamilton Ave.	1	\$ 13,058	\$ 21,600	0.60	\$ 35,950	0.36	\$ 54,950	0.24	\$ 12,760	1.02

2020 Norwich Median Family Income: \$75,633

COBG 47 Incomes

Sorted by HUD & Federal Levels

ENCLOSURE 4

47	335 Hamilton Ave.	2	\$ 13,104	\$ 24,650	0.53	\$ 41,050	0.32	\$ 62,800	0.21	\$ 17,240	0.76
48	335 Hamilton Ave.	1	\$ 13,111	\$ 21,600	0.61	\$ 35,950	0.36	\$ 54,950	0.24	\$ 12,760	1.03
49	335 Hamilton Ave.	1	\$ 13,332	\$ 21,600	0.62	\$ 35,950	0.37	\$ 54,950	0.24	\$ 12,760	1.04
50	335 Hamilton Ave.	1	\$ 13,505	\$ 21,600	0.63	\$ 35,950	0.37	\$ 54,950	0.25	\$ 12,760	1.06
51	335 Hamilton Ave.	1	\$ 13,546	\$ 21,600	0.63	\$ 35,950	0.38	\$ 54,950	0.25	\$ 12,760	1.06
52	335 Hamilton Ave.	1	\$ 13,692	\$ 21,600	0.63	\$ 35,950	0.38	\$ 54,950	0.25	\$ 12,760	1.07
53	335 Hamilton Ave.	1	\$ 14,028	\$ 21,600	0.65	\$ 35,950	0.39	\$ 54,950	0.26	\$ 12,760	1.10
54	335 Hamilton Ave.	1	\$ 14,412	\$ 21,600	0.67	\$ 35,950	0.40	\$ 54,950	0.26	\$ 12,760	1.13
55	335 Hamilton Ave.	1	\$ 14,526	\$ 21,600	0.67	\$ 35,950	0.40	\$ 54,950	0.26	\$ 12,760	1.14
56	335 Hamilton Ave.	1	\$ 14,852	\$ 21,600	0.69	\$ 35,950	0.41	\$ 54,950	0.27	\$ 12,760	1.16
57	335 Hamilton Ave.	1	\$ 15,395	\$ 21,600	0.71	\$ 35,950	0.43	\$ 54,950	0.28	\$ 12,760	1.21
58	335 Hamilton Ave.	1	\$ 15,578	\$ 21,600	0.72	\$ 35,950	0.43	\$ 54,950	0.28	\$ 12,760	1.22
59	335 Hamilton Ave.	1	\$ 16,056	\$ 21,600	0.74	\$ 35,950	0.45	\$ 54,950	0.29	\$ 12,760	1.26
60	335 Hamilton Ave.	1	\$ 16,167	\$ 21,600	0.75	\$ 35,950	0.45	\$ 54,950	0.29	\$ 12,760	1.27
61	335 Hamilton Ave.	1	\$ 16,452	\$ 21,600	0.76	\$ 35,950	0.46	\$ 54,950	0.30	\$ 12,760	1.29
62	335 Hamilton Ave.	1	\$ 16,569	\$ 21,600	0.77	\$ 35,950	0.46	\$ 54,950	0.30	\$ 12,760	1.30
63	335 Hamilton Ave.	1	\$ 16,572	\$ 21,600	0.77	\$ 35,950	0.46	\$ 54,950	0.30	\$ 12,760	1.30
64	335 Hamilton Ave.	1	\$ 16,572	\$ 21,600	0.77	\$ 35,950	0.46	\$ 54,950	0.30	\$ 12,760	1.30
65	335 Hamilton Ave.	1	\$ 16,848	\$ 21,600	0.78	\$ 35,950	0.47	\$ 54,950	0.31	\$ 12,760	1.32
66	335 Hamilton Ave.	1	\$ 16,920	\$ 21,600	0.78	\$ 35,950	0.47	\$ 54,950	0.31	\$ 12,760	1.33
67	335 Hamilton Ave.	1	\$ 16,946	\$ 21,600	0.78	\$ 35,950	0.47	\$ 54,950	0.31	\$ 12,760	1.33
68	335 Hamilton Ave.	1	\$ 17,273	\$ 21,600	0.80	\$ 35,950	0.48	\$ 54,950	0.31	\$ 12,760	1.35
69	335 Hamilton Ave.	1	\$ 17,589	\$ 21,600	0.81	\$ 35,950	0.49	\$ 54,950	0.32	\$ 12,760	1.38
70	335 Hamilton Ave.	1	\$ 18,039	\$ 21,600	0.84	\$ 35,950	0.50	\$ 54,950	0.33	\$ 12,760	1.41
71	335 Hamilton Ave.	1	\$ 18,070	\$ 21,600	0.84	\$ 35,950	0.50	\$ 54,950	0.33	\$ 12,760	1.42
72	335 Hamilton Ave.	1	\$ 18,210	\$ 21,600	0.84	\$ 35,950	0.51	\$ 54,950	0.33	\$ 12,760	1.43
73	335 Hamilton Ave.	1	\$ 18,288	\$ 21,600	0.85	\$ 35,950	0.51	\$ 54,950	0.33	\$ 12,760	1.43
74	335 Hamilton Ave.	1	\$ 18,560	\$ 21,600	0.86	\$ 35,950	0.52	\$ 54,950	0.34	\$ 12,760	1.46
75	335 Hamilton Ave.	1	\$ 18,720	\$ 21,600	0.87	\$ 35,950	0.52	\$ 54,950	0.34	\$ 12,760	1.47
76	335 Hamilton Ave.	1	\$ 19,044	\$ 21,600	0.88	\$ 35,950	0.53	\$ 54,950	0.35	\$ 12,760	1.49
77	335 Hamilton Ave.	1	\$ 19,097	\$ 21,600	0.88	\$ 35,950	0.53	\$ 54,950	0.35	\$ 12,760	1.50
78	335 Hamilton Ave.	1	\$ 19,297	\$ 21,600	0.89	\$ 35,950	0.54	\$ 54,950	0.35	\$ 12,760	1.51
79	335 Hamilton Ave.	1	\$ 19,308	\$ 21,600	0.89	\$ 35,950	0.54	\$ 54,950	0.35	\$ 12,760	1.51
80	335 Hamilton Ave.	1	\$ 19,320	\$ 21,600	0.89	\$ 35,950	0.54	\$ 54,950	0.35	\$ 12,760	1.51
81	335 Hamilton Ave.	1	\$ 19,328	\$ 21,600	0.89	\$ 35,950	0.54	\$ 54,950	0.35	\$ 12,760	1.51
82	335 Hamilton Ave.	1	\$ 19,348	\$ 21,600	0.90	\$ 35,950	0.54	\$ 54,950	0.35	\$ 12,760	1.52
83	335 Hamilton Ave.	1	\$ 19,401	\$ 21,600	0.90	\$ 35,950	0.54	\$ 54,950	0.35	\$ 12,760	1.52
84	335 Hamilton Ave.	1	\$ 19,549	\$ 21,600	0.91	\$ 35,950	0.54	\$ 54,950	0.36	\$ 12,760	1.53
85	335 Hamilton Ave.	1	\$ 19,572	\$ 21,600	0.91	\$ 35,950	0.54	\$ 54,950	0.36	\$ 12,760	1.53
86	335 Hamilton Ave.	1	\$ 19,746	\$ 21,600	0.91	\$ 35,950	0.55	\$ 54,950	0.36	\$ 12,760	1.55
87	335 Hamilton Ave.	1	\$ 20,301	\$ 21,600	0.94	\$ 35,950	0.56	\$ 54,950	0.37	\$ 12,760	1.59
88	335 Hamilton Ave.	1	\$ 20,640	\$ 21,600	0.96	\$ 35,950	0.57	\$ 54,950	0.38	\$ 12,760	1.62
89	335 Hamilton Ave.	1	\$ 20,825	\$ 21,600	0.96	\$ 35,950	0.58	\$ 54,950	0.38	\$ 12,760	1.63
90	335 Hamilton Ave.	1	\$ 20,976	\$ 21,600	0.97	\$ 35,950	0.58	\$ 54,950	0.38	\$ 12,760	1.64
91	335 Hamilton Ave.	1	\$ 21,201	\$ 21,600	0.98	\$ 35,950	0.59	\$ 54,950	0.39	\$ 12,760	1.66
92	335 Hamilton Ave.	1	\$ 21,984	\$ 21,600	1.02	\$ 35,950	0.61	\$ 54,950	0.40	\$ 12,760	1.72
93	335 Hamilton Ave.	2	\$ 22,308	\$ 24,650	0.90	\$ 41,050	0.54	\$ 62,800	0.36	\$ 17,240	1.29
94	335 Hamilton Ave.	1	\$ 23,004	\$ 21,600	1.07	\$ 35,950	0.64	\$ 54,950	0.42	\$ 12,760	1.80
95	335 Hamilton Ave.	1	\$ 23,595	\$ 21,600	1.09	\$ 35,950	0.66	\$ 54,950	0.43	\$ 12,760	1.85
96	335 Hamilton Ave.	1	\$ 25,032	\$ 21,600	1.16	\$ 35,950	0.70	\$ 54,950	0.46	\$ 12,760	1.96
97	335 Hamilton Ave.	1	\$ 25,533	\$ 21,600	1.18	\$ 35,950	0.60	\$ 54,950	0.46	\$ 12,760	2.00
98	335 Hamilton Ave.	1	\$ 25,832	\$ 21,600	1.20	\$ 35,950	0.72	\$ 54,950	0.47	\$ 12,760	2.02
99	335 Hamilton Ave.	1	\$ 25,868	\$ 21,600	1.20	\$ 35,950	0.72	\$ 54,950	0.47	\$ 12,760	2.03
100	335 Hamilton Ave.	1	\$ 25,950	\$ 21,600	1.20	\$ 35,950	0.72	\$ 54,950	0.47	\$ 12,760	2.03
101	335 Hamilton Ave.	1	\$ 26,522	\$ 21,600	1.23	\$ 35,950	0.74	\$ 54,950	0.48	\$ 12,760	2.08

102	335 Hamilton Ave.	1	\$ 26,615	\$ 21,600	1.23	\$ 35,950	0.74	\$ 54,950	0.48	\$ 12,760	2.09
103	335 Hamilton Ave.	1	\$ 27,804	\$ 21,600	1.29	\$ 35,950	0.77	\$ 54,950	0.51	\$ 12,760	2.18
104	335 Hamilton Ave.	1	\$ 29,561	\$ 21,600	1.37	\$ 35,950	0.82	\$ 54,950	0.54	\$ 12,760	2.32
105	335 Hamilton Ave.	1	\$ 30,483	\$ 21,600	1.41	\$ 35,950	0.85	\$ 54,950	0.55	\$ 12,760	2.39
106	335 Hamilton Ave.	1	\$ 33,852	\$ 21,600	1.57	\$ 35,950	0.94	\$ 54,950	0.62	\$ 12,760	2.65
107	335 Hamilton Ave.	1	\$ 36,848	\$ 21,600	1.71	\$ 35,950	1.02	\$ 54,950	0.67	\$ 12,760	2.89

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# FEDERAL POVERTY LEVEL (FPL) CHART

## 2020

There is a rebuttable presumption that a person is indigent and unable to pay a fee or fees or the cost of service of process if the person receives public assistance or the person's income after taxes, mandatory wage deductions, and child care expenses, is 125% (one hundred twenty-five percent) or less of the federal poverty level. (Section 52-259b of the Connecticut General Statutes.)

Persons in Family/Household	Connecticut FPL* (Gross Income)	125% of FPL		
		Annual	Monthly	Weekly
1	\$12,760	\$15,950	\$1,329	\$307
2	\$17,240	\$21,550	\$1,796	\$414
3	\$21,720	\$27,150	\$2,263	\$522
4	\$26,200	\$32,750	\$2,729	\$630
5	\$30,680	\$38,350	\$3,196	\$738
6	\$35,160	\$43,950	\$3,663	\$845
7	\$39,640	\$49,550	\$4,129	\$953
8	\$44,120	\$55,150	\$4,596	\$1,061
For each additional person, add:	\$4,480	\$5,600	\$467	\$108

\*Source: Annual Update of the HHS Poverty Guidelines, Federal Register, Vol. 85, No. 12, January 17, 2020, pp. 3060-3061.

### ADA NOTICE

The Judicial Branch of the State of Connecticut complies with the Americans with Disabilities Act (ADA). If you need a reasonable accommodation in accordance with the ADA, contact a court clerk or an ADA contact person listed at [www.jud.ct.gov/ADA](http://www.jud.ct.gov/ADA).

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RESOLUTION NO. R-21-01-1555

RESOLUTION OF THE NORWICH HOUSING AUTHORITY

BEING AN EXTRACT OF THE MINUTES OF A REGULAR MEETING OF THE  
COMMISSION OF THE NORWICH HOUSING AUTHORITY  
HELD ON JANUARY 13, 2021

On the above date, the Commissioners of the Norwich Housing Authority met in regular session at 4:30 PM at Schwartz Manor Community Room, 382 Laurel Hill Avenue, Norwich, Connecticut, the place, hour and date duly noticed for the hour of such meeting.

Chairman Alan Bergren called the meeting to order and the following answered present: Mary Ellen Lunt, Frances Patterson, Wilma Sullivan, Alan Bergren

The following Commissioner was absent: None

The Chairman declared a quorum present.

\*\*\*

The following resolution was introduced by Jeff Arn, Executive Director:

WHEREAS, the Norwich Housing Authority ("Authority") operates various programs under the auspices of the United States Housing Act of 1937 as amended, the State of Connecticut Department of Housing and the Connecticut Housing Finance Authority; and

WHEREAS, it is necessary for the Authority to install new roofs, gutters and downspouts and aluminum wrapping of exposed soffit, fascia and trim at Rosewood Manor, 335 Hamilton Avenue, Norwich, CT, a State Elderly housing development;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby authorizes the Executive Director to apply for funds from the City of Norwich Community Development Block Grant Program in Program Year 47 to undertake the replacement of roofs, gutters and downspouts and aluminum wrapping of exposed soffit, fascia and trim at Rosewood Manor.

Commissioner Patterson moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by Commissioner Lunt.

Upon roll call the Ayes and Nays were as follows:

Ayes: Lunt, Patterson, Sullivan, Bergren  
Nays: None

The Chairman declared said resolution adopted.

\*\*\*

I, Jeffrey S. Arn, the duly appointed, qualified and acting Secretary of the Norwich Housing Authority, do hereby certify that the above extract from the minutes of the regular meeting of the Norwich Housing Authority, held on January 13, 2021 is a true and correct copy of the original minutes of such meeting on file and of record in so far as they relate to the matters set forth in the above extract, and I do hereby certify that the Resolution appearing in said extract is a true and correct copy of the Resolution adopted at such meeting and on file and of record.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the seal of the Norwich Housing Authority this 13<sup>th</sup> day of January 2021.



Jeffrey S. Arn, Secretary

Date: January 13, 2021

(SEAL)

**PART IV: SUPPLEMENTAL INFORMATION:** All agencies must submit all of the following documentation with their application whether or not you have previously received CDBG funds through the City of Norwich.

EXHIBIT 1 Financial Statement and Audit

Describe the agency's fiscal management including disbursement methods, financial reporting, record keeping, accounting principles/procedures and audit requirements. Include a copy of the agency's last completed audit.

EXHIBIT 2 Insurance/Bond/Worker's Compensation

- State whether or not the agency has liability insurance coverage, in what amount and with what insuring agency.
- State whether or not the agency pays all payroll taxes and worker's compensation as required by Federal and State Law.
- State whether or not the agency has fidelity bond coverage for principal staff who handle the agency's accounts, in what amount and with what insuring agency.
- Provide a copy of your current insurance certificate, NOT YOUR POLICY.

EXHIBIT 3 Non-profit Determination

Non-profit organizations must submit tax-exemption determination letters from the Federal Internal Revenue Service.

EXHIBIT 4 List of Board of Directors

A list of the current board of directors or other governing body of the agency must be submitted. The list must include the name, telephone number, address, occupation or affiliation of each member; and must identify the principal officers of the governing body.

EXHIBIT 5 Organizational Chart

An organizational chart must be provided which describes the agency's administrative framework and staff positions, which indicates where the proposed project will fit into the organizational structure and which identifies any staff positions of shared responsibility.

EXHIBIT 6 Resumes of Chief Program Administrator and Chief Fiscal Officer

EXHIBIT 7 Conflict of Interest Disclosure

Form attached

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**EXHIBIT 1**

**NORWICH HOUSING AUTHORITY  
FINANCIAL STATEMENTS  
AND  
REPORTS OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

**FOR THE YEAR ENDED  
MARCH 31, 2020**

**NORWICH HOUSING AUTHORITY  
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FOR YEAR ENDED MARCH 31, 2020**

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CERTIFIED PUBLIC ACCOUNTANTS

45 Enterprise Drive • Bristol, CT 06010-5990 • 860/585-6715 • Fax 860/585-6559

### *Independent Auditor's Report*

Board of Commissioners  
Norwich Housing Authority

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities of Norwich Housing Authority, as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise Norwich Housing Authority's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Norwich Housing Authority, as of March 31, 2020 and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Supplemental Pension Schedules and OPEB Schedules on pages 1-7 and 27 are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Norwich Housing Authority's basic financial statements. The CHFA Supplemental HM Forms, as required by the Connecticut Housing and Finance Authority, the Financial Data Schedule, required by *Uniform Financial Reporting Standards*, issued by the U.S. Department of Housing and Urban Development, the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Schedule of Expenditures of State Financial Assistance, required by the CT Office of Policy and Management, *State Single Audit Act* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The CHFA Supplemental HM Forms, Financial Data Schedule, the Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Financial Assistance are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the CHFA Supplemental HM Forms, the Financial Data Schedule, the Schedule of Expenditures of Federal Awards and the Schedule of Expenditures and State Financial Assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2020 on our consideration of Norwich Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Norwich Housing Authority's internal control over financial reporting and compliance.



Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
December 30, 2020

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**MANAGEMENT'S DISCUSSION & ANALYSIS**

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## NORWICH HOUSING AUTHORITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2020

The Norwich Housing Authority's (the Authority) management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position, and (d) identify individual fund issues or concerns.

- The Authority's Net Position increased by \$1,373,564 or 8.79% during 2020, due to an increase from operations of \$198,842, plus an increase in the investment in Capital Assets of \$1,175,082. Since the Authority engages only in business-type activities, the increases are all in the category of business-type Net Position. Net Position were \$15.6 million and \$16.9 million for fiscal years 2019 and 2020, respectively.
- Revenues increased by \$1,259,196 or 11.62% during 2020 and were \$10.8 million and \$12.1 million for fiscal years 2019 and 2020, respectively.
- The total expenses of all Authority programs increased by \$410,669 or 3.98%. Total expenses were \$10.3 million and \$10.7 million for fiscal years 2019 and 2020, respectively.

**NORWICH HOUSING AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**March 31, 2020**

**USING THIS ANNUAL REPORT**

The report includes three major sections, the "Management's Discussion and Analysis (MD&A)," "Basic Financial Statements" and "Other Required Supplementary Information":

<p><b>MD&amp;A</b></p> <p>~ Management's Discussion and Analysis ~</p>
<p><b>Basic Financial Statements</b></p> <p>~ Authority-wide Financial Statements ~ ~ Notes to Financial Statements ~</p>
<p><b>Other Required Supplementary Information</b></p> <p>~ Required Supplementary Information ~ (other than the MD&amp;A)</p>

The primary focus of the Authority's financial statements is on both the Authority as a whole (Authority-wide) and the major individual funds. Both perspectives (Authority-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the Authority's accountability.

**AUTHORITY-WIDE FINANCIAL STATEMENTS**

The Authority-wide financial statements are designed to be corporate-like in that all business type activities are consolidated into columns, which add to a total for the entire Authority.

These statements include a Statement of Net Position. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets minus liabilities, equals "Net Position," formerly known as net assets. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (For accounting purposes, the term current assets is used to designate cash and other assets or resources commonly identified as those which are reasonably expected to be realized in cash or sold or consumed during the normal operating cycle of the business), and "Non-current."

## NORWICH HOUSING AUTHORITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2020

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position (formerly net assets) is reported in three broad categories:

Net Investment in Capital Assets: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: Consists of Net Position that do not meet the definition of "Net Position Invested in Capital Assets, Net of Related Debt," or "Restricted Net Position."

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Position (similar to an Income Statement). This Statement includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, and maintenance, and depreciation, and non-operating revenue and expenses, such as capital grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Position is the "Change in Net Position," which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

### THE AUTHORITY'S PROGRAMS

The Authority maintains its accounting records by program and operates the following programs:

Low Rent Public Housing – This program accounts for all activities relating to the leasing and operation of apartments in buildings that were constructed and are owned by the Authority. These units are rented to low income families and low income elderly, disabled, and special needs individuals. The properties were constructed with grants and or loans provided by the U.S. Department of Housing and Urban Development (HUD). The Authority receives grants from HUD to subsidize operating deficits. Tenants are charged rents based on a percentage of their income.

Public Housing Capital Fund – HUD provides grant funds to authorities with Low Rent Public Housing units on a formula basis. The funds are predominantly used to make physical improvements to buildings and dwelling units owned by the Authority under the Low Rent Public Housing Program. A portion of these funds may also be used to support operations and to make improvements in the management and operation of the Authority.

## NORWICH HOUSING AUTHORITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2020

Section 8 Housing Choice Voucher -- HUD provides grants to the Authority to subsidize rents paid by low income families and individuals who rent dwelling units from private landlords. Under this program, qualified applicants are issued vouchers which may be used by the applicant to obtain housing in the private rental market. The Authority will subsidize the landlord for the difference between the rent requested and the tenant's share of the rent not to exceed a predetermined payment standard.

Section 8 New Construction Program -- HUD provides a direct mortgage to a third party owner of a residential rental building. As a condition of the mortgage on the building, the owner enters into a long-term contract to rent some or all of the dwelling units to low income individuals or families and receive project-based Section 8 rental assistance. Under the contract, the owner receives a subsidy equal to the difference between an approved contract rent and the tenant's share of the rent determined under HUD Section 8 regulations. On behalf of HUD, the Authority monitors the compliance with the agreement, as well as paying the HAP expense to the owner. Effective November 1, 2020, the Authority no longer administers this contract for HUD.

State and Local Programs -- The Authority receives financial assistance from the Connecticut Department of Housing (DOH) in the form of rental assistance payments for eligible tenants housed in state owned elderly developments and operates state owned moderate rental and affordable housing developments that receive no state funding.

**NORWICH HOUSING AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**March 31, 2020**

**AUTHORITY-WIDE STATEMENTS**

The following table reflects the condensed Statement of Net Position compared to prior year.

**STATEMENTS OF NET POSITION**  
**March 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>% Change</u>
Current Assets	\$ 9,736,596	\$ 9,656,740	\$ 79,856	0.83%
Capital Assets	9,611,053	8,457,941	1,153,112	13.63%
Other Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	-
<b>Total Assets</b>	<u>19,347,649</u>	<u>18,114,681</u>	<u>524,004</u>	3.09%
Deferred Outflows of Resources	<u>943,916</u>	<u>1,211,860</u>	<u>(267,944)</u>	-22.11%
Current Liabilities	765,763	1,243,827	(478,064)	-38.43%
Noncurrent Liabilities	<u>2,362,741</u>	<u>2,459,088</u>	<u>(96,347)</u>	-3.92%
<b>Total Liabilities</b>	<u>3,128,504</u>	<u>3,702,915</u>	<u>(574,411)</u>	-15.51%
Deferred Inflows of Resources	<u>171,382</u>	<u>5,511</u>	<u>165,871</u>	3009.82%
Net Invested in Capital Assets	9,229,095	8,054,013	1,175,082	-2.87%
Restricted	198,107	112,291	85,816	-13.57%
Unrestricted (Deficit)	<u>7,564,477</u>	<u>7,451,811</u>	<u>112,666</u>	13.68%
<b>Total Net Position</b>	<u>\$ 16,991,679</u>	<u>\$ 15,618,115</u>	<u>\$ 1,373,564</u>	8.79%

**NORWICH HOUSING AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**March 31, 2020**

**MAJOR FACTORS AFFECTING THE STATEMENTS OF NET POSITION**

During 2020, current and other assets increased by \$79,856 and current liabilities decreased by (\$478,064). These increases are related to the State development, accounts receivable government – funds due for construction costs and the recording of related accrued liabilities. There was an increase in the Section 8 restricted funds during 2020 of \$85,816 due to increase in funding from HUD in CY 2020. HUD gave an inflation factor on HAP funding. The capital projects completed were funded by capital grants and did not for the most part, utilizing our reserves. Capital assets had a net increase for the year. There was an increase in building improvements (mostly in the state housing developments) and an increase in Federal Mod work as a result of the usual spending of our yearly allotment of funds. The overall increase is due to \$2,372,437 of capital improvements and purchase of equipment \$77,008 minus annual depreciation of (\$1,296,332) netting to an overall increase of \$1,153,113.

NORWICH HOUSING AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS  
March 31, 2020

MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
For the years ended March 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>% Change</u>
<b>Revenue</b>				
Operating Revenues	\$ 10,257,751	\$ 9,313,981	\$ 943,770	10.13%
Non-operating Revenues	<u>1,835,813</u>	<u>1,520,387</u>	<u>315,426</u>	20.75%
Total Revenues	<u>12,093,564</u>	<u>10,834,368</u>	<u>1,259,196</u>	11.62%
<b>Expenses</b>				
Housing assistance payments	4,318,094	3,733,684	584,410	15.65%
Administration	1,601,426	1,548,748	52,678	3.40%
Repair and maintenance	2,283,583	2,338,172	(54,589)	-2.33%
Depreciation expense	1,343,522	1,494,727	(151,205)	-10.12%
Utilities	537,621	596,770	(59,149)	-9.91%
Tenant services	143,542	82,340	61,202	74.33%
Insurance expense	228,259	238,988	(10,729)	-4.49%
Other general expenses	245,780	255,692	(9,912)	-3.88%
Protective services	-	-	-	
Interest expense	<u>18,173</u>	<u>20,210</u>	<u>(2,037)</u>	-10.08%
Total Expenses	<u>10,720,000</u>	<u>10,309,331</u>	<u>410,669</u>	3.98%
Change in Net Position	1,373,564	525,037	848,527	161.61%
Net Position - Beginning of Year	<u>15,618,115</u>	<u>15,219,108</u>	<u>399,007</u>	2.62%
Prior Period Adjustments	-	(126,030)	-	
Net Position - End of Year	<u>\$ 16,991,679</u>	<u>\$ 15,618,115</u>	<u>\$ 1,373,564</u>	8.79%

Section 8 grants decreased funding amounts from the prior year but only due to HUD's cash management policy of recapturing all excess HAP dollars the actual revenue reported/earned in FY20 was down from 2019 by a small decrease of (\$7,618). The operating subsidy funding from HUD was 96% compared to 97% in the prior year. Investment income went up four times what was earned in the prior year due to increased interest rates and available cash, the actual amount earned was \$47,476. Other income remained consistent with prior year. Other government grants were consistent with fiscal year 2019 due to the large

**NORWICH HOUSING AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**March 31, 2020**

development project at the State property. Operating Revenue overall increased by \$943,770 and non-operating revenue increased \$315,426; development grant of over \$2 million was 35% spent in FY20.

Administrative costs increased by 3.4% which was due to normal increases in salaries for the staffing and other operational cost remained consistent. In addition, Insurance costs decreased by (4.49%). Maintenance costs decreased slightly (2.33%). The Authority continued to have its usual high costs related to apartment turnovers, flooring replacement and lead abatements and bathroom and kitchen fixtures. In the current fiscal year, the Extraordinary maintenance went up slightly from FY 2019 by \$14,000. Total expenses in FY2020 increased 3.98% or \$410,669. The HAP payments increased from FY19 to FY20 was \$584,410 because of increased HAP costs in 2020. Leasing was at 98.1% in 2020 and 98.05% in 2019.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets

**CAPITAL ASSET ANALYSIS**  
March 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>% Change</u>
Land	\$ 252,612	\$ 252,612	\$ -	0.00%
Buildings	37,561,021	36,852,214	708,807	1.92%
Furniture and equipment	991,930	914,922	77,008	8.42%
Leasehold improvements	582,117	573,406	8,711	-
Construction in progress	<u>3,117,270</u>	<u>1,462,351</u>	<u>1,654,919</u>	113.17%
Total capital assets	42,504,950	40,055,505	2,449,445	6.12%
Accumulated depreciation	<u>(32,893,897)</u>	<u>(31,597,565)</u>	<u>(1,296,332)</u>	4.10%
Capital assets, net of accumulated depreciation	<u>\$ 9,611,053</u>	<u>\$ 8,457,940</u>	<u>\$ 1,153,113</u>	13.63%

As of year-end, the Authority had \$9.6 million invested in a variety of capital assets as reflected in the schedule above, which represents a net increase (addition, deductions and depreciation) of \$1,153,133, or 13.63%, from the end of prior year 2019.

This year's additions were building improvements/major rehabilitation at our state housing programs and the usage of Capital funds on the federal program. Funds expended on equipment this year was for software upgrade and two large tractors and attachments during 2020.

## NORWICH HOUSING AUTHORITY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2020

#### Debt Outstanding

As of year-end, the Authority had \$381,958 in debt (bonds, notes, etc.) outstanding on the Federal development – ESCO project. Principal in the amount of \$46,776 was paid in fiscal year 2020.

	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>%</u>
Long term debt	\$ 381,958	\$ 428,734	\$ (46,776)	-10.91%

#### ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal subsidy which was funded at 97% for the CY 19 and 96% for 1st quarter of CY2020.
- Union negotiations dictate rates for maintenance which can affect wage rates.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and Federal funding provided by Congress to the Department of Housing and Urban Development therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies and other costs.

#### FINANCIAL CONTACT

The individual to be contacted regarding this report is Joanne Drag, Deputy Executive Director / Finance Director of the Norwich Housing Authority at (860) 887-1605 x12. Specific requests may be submitted to the Norwich Housing Authority at 10 Westwood Park, Norwich, CT06360.

**NORWICH HOUSING AUTHORITY  
STATEMENT OF NET POSITION  
AS OF MARCH 31, 2020**

<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents - Unrestricted	\$ 9,116,745
Cash and Cash Equivalents - Restricted	382,550
Accounts Receivable	
Tenants, net of Allowances	27,564
Other	17,683
Inventory	97,985
Prepaid Expenses	94,069
Total Current Assets	<u>9,736,596</u>
<b>Noncurrent Assets</b>	
Capital Assets, net of A/D	
Nondepreciable	3,369,880
Depreciable	6,241,173
Total Noncurrent Assets	<u>9,611,053</u>
<b>Total Assets</b>	<u>19,347,649</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows Related to OPEB	11,028
Deferred Outflows Related to Pensions	932,888
<b>Total Deferred Outflows of Resources</b>	<u>943,916</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts Payable - Vendors and Contractors	96,702
Accounts Payable - Other Government	200,948
Accrued Wages and Related Liabilities	16,300
Accrued Compensated Absences	112,972
Accrued Expenses - Other	36,660
Unearned Revenue	68,963
Current portion of Long-Term Debt	48,775
Tenant Security Deposits	184,443
<b>Total Current Liabilities</b>	<u>765,763</u>
<b>Noncurrent Liabilities</b>	
Accrued Compensated Absences	42,963
Long-Term Debt	333,183
OPEB Liability	142,241
Net Pension Liability	1,844,354
<b>Total Noncurrent Liabilities</b>	<u>2,362,741</u>
<b>Total Liabilities</b>	<u>3,128,504</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows Related to Pensions	171,382
<b>Total Deferred Inflows of Resources</b>	<u>171,382</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	9,229,095
Restricted for: Housing Assistance Payments	198,107
Unrestricted	7,564,477
<b>Total Net Position</b>	<u>16,991,679</u>

*The accompanying notes are an integral part of the financial statements.*

**NORWICH HOUSING AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED MARCH 31, 2020**

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**OPERATING REVENUE**

Rental Revenue	\$ 4,334,655
HUD Operating Grants	5,577,453
Other Government Grant Revenue	149,930
Fees for Other Services	-
Other Income	195,713
<b>Total Operating Revenue</b>	<u>10,257,751</u>

**OPERATING EXPENSES**

Administrative	1,615,488
Tenant and Protective Services	71,916
Utilities	609,247
Ordinary Maintenance and Operations	2,228,295
Insurance Premiums	228,259
General	231,718
Housing Assistance Payments	4,318,094
Depreciation	1,343,522
<b>Total Operating Expenses</b>	<u>10,646,539</u>

**Operating Income (Loss)** (388,788)

**NONOPERATING REVENUES (EXPENSES)**

Interest Income	47,474
Interest Expense	(18,173)
Energy Rebates	9,266
Nonroutine Maintenance and Replacement	(55,288)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(16,721)</u>

**Income (Loss) before Capital Contributions** (405,509)

Capital Contributions 1,779,073

**Change in Net Position** 1,373,564

**Net Position, Beginning of Year** 15,618,115

**Net Position, End of Year** \$ 16,991,679

*The accompanying notes are an integral  
part of the financial statements.*

**NORWICH HOUSING AUTHORITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2020**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash Received from Operations	\$ 4,282,928
HUD Operating Grants	5,577,453
Other Government Grants	182,459
Housing Assistance Payments	(4,318,094)
Payments to Vendors and Suppliers	(3,527,427)
Payments for Employee Wages	(1,559,747)
Other Receipts (Payments)	604,510
Net Cash Provided by (Used in) Operating Activities	<u>1,242,082</u>
<b>CASH FLOWS FROM CAPITAL RELATED FINANCING ACTIVITIES:</b>	
Purchases of Property and Equipment	(2,496,634)
Principal Payments on Debt	(46,776)
Interest Payments on Debt	(18,173)
Energy Rebates	9,266
Capital Grants Received	1,779,073
Net Cash Provided by (Used in) Capital Related Financing Activities	<u>(773,244)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Net Proceeds from (Deposits to) Investments	-
Interest Income	47,474
Net Cash Provided by (Used in) Investing Activities	<u>47,474</u>
Net Increase (Decrease) in Cash	516,312
Cash at the Beginning of the Year	<u>8,982,983</u>
Cash at the End of the Year	<u>\$ 9,499,295</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>	
Operating Income (Loss)	\$ (388,788)
Adjustments to Reconcile Change in Net Cash	
Provided by Operating Activities:	
Depreciation Expense	1,343,522
Nonroutine Maintenance	(55,288)
Pension Expense	536,408
Employer Pension Contributions	(190,097)
Change in Operating Assets and Liabilities:	
Decrease (Increase) in Receivables	436,521
Decrease (Increase) in Inventory	627
Decrease (Increase) in Prepaid Expenses	(692)
Increase (Decrease) in Accounts Payable	95,941
Increase (Decrease) in Compensated Absences and Accrued Wage	(77,985)
Increase (Decrease) in OPEB Liability	(3,031)
Increase (Decrease) in Tenant Security Deposits	9,228
Increase (Decrease) in Deferred Revenue	8,366
Increase (Decrease) in Other Liabilities	(472,650)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,242,082</u>
Noncash Financing and Investing Activities:	None

*The accompanying notes are an integral part of the financial statements.*

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The summary of significant accounting policies of the Norwich Housing Authority (the Authority) is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

**Reporting Entity**

The Authority was created pursuant to Section 8-40 of the Connecticut General Statutes. The Authority has contracted with the Federal Government, acting through the Department of Housing and Urban Development (HUD), for financial assistance of Section 8 Vouchers, Low Rent Public Housing and Public Housing Capital Fund pursuant to the United States Housing Act of 1937, as amended. The Authority has also contracted the State of Connecticut Department of Housing (DOH) for financial assistance for elderly rental projects in the form of capital grants pursuant to Section 8-70 of the Connecticut General Statutes and operating subsidies for State Congregate Public Housing Developments. As such, the Authority has entered into annual contribution contracts with the U.S. Department of Housing and Urban Development ("HUD") to be the administrator of the housing and housing related programs described herein. The Authority is not subject to Federal or State income taxes and is not required to file Federal or State income tax returns.

The Authority's combined financial statements include the accounts of all the Authority's operations. The criteria for including organizations as component units within the reporting entity, as set forth in GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Authority holds the corporate powers of the organization
- the Authority appoints a voting majority of the organization's board
- the Authority is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Authority
- there is fiscal dependency by the organization on the Authority

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Authority's Board of Commissioner or the component unit provides services entirely to the Authority. These component units' funds are blended into those of the Authority's by appropriate activity type to compose the primary government presentation. Discretely presented component units are separate legal entities that meet the component unit criteria but do not meet the criteria for blending.

Based on the aforementioned criteria, the Authority is not a component unit of the municipality, nor does it include any component units.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

The Authority's funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation are included on the Statement of Net Position.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Operating Revenue includes rental income, operating grants, management services income and all other revenue relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital and related financing, non-capital and related financing, or investing activities. Operating expenses include wages, housing assistance payments, utilities, maintenance, depreciation, and all other expenses relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital and related financing, non-capital and related financing, or investing activities.

In addition, the Authority receives capital grants from HUD to be used for various purposes connected with the planning, modernization, and expansion of housing facilities and equipment. Receipts used for non-capitalizable costs are reported as operating revenue and receipts used for capitalization costs are reported as capital contributions.

The Authority has elected to report as a single enterprise proprietary fund and its primary operations comprise of housing and grant programs as follows:

- The ***Housing Choice Voucher Program*** provides rental housing assistance subsidies in support of 514 housing units. The purpose of the program is to provide decent and affordable housing to low-income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units are owned, maintained and managed by private landlords.
- The ***Public Housing Program*** operates under HUD's Annual Contribution Contract and consists of the operations of low rent public housing properties totaling 176 units. The purpose of the program is to provide decent and affordable housing to low-income families at reduced rents.
- The ***Capital Fund Program*** accounts for the capital and management improvement activities, primarily for the modernization and development of low-rent public housing units.
- Under the ***Section 8 New Construction Program***, HUD provides a direct mortgage to a third-party owner of a residential rental building. As a condition of the mortgage on the building, the owner enters into a long-term contract to rent some or all of the dwelling units to low-income individuals or families and receive project-based Section 8 rental assistance. Under the contract, the owner receives a subsidy equal to the difference between an approved contract rent and the tenant's share of rent determined under HUD Section 8 regulations. On behalf of HUD, the Authority monitors the compliance with the agreement, as well as pays the HAP expense to the owner.
- The ***State/Local Programs*** consist of the operations of low rent public housing properties totaling 183 units of State Elderly Housing, 286 units of State Moderate Housing, and 40 units of State Affordable Housing under contract with the State of Connecticut Department of Housing (DOH).

The financial statements of the Authority are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The financial statements include:

1. A Management Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.
2. Financial statements prepared using full accrual accounting for all of the Authority's activities.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses used during the reporting period. Actual results could differ from those estimates. Significant estimates include the economic lives of capital assets.

**Cash and Cash Equivalents**

Cash and cash equivalents represent cash on deposit with financial institutions and other debt securities that are readily convertible into cash and purchased with original maturities of three months or less. Also included in cash equivalents are non-negotiable certificates of deposits, recorded at cost in accordance with GASB 31.

**Accounts Receivable**

Management periodically assesses the collectability of its receivables and establishes an allowance for uncollectible accounts for all accounts it deems uncollectible. Currently, the allowance established for tenant and fraud receivables is \$19,448 and \$63,047, respectively.

**Capital Assets**

Land, building, and equipment are stated at cost and depreciated over their estimated useful lives. The capitalization threshold is \$1,000. Donated assets are recorded at estimated market value as of the date of the donation. Construction in progress costs are not depreciated until the corresponding projects are completed. Depreciation has been provided over the following useful lives using the straight-line method of depreciation as follows:

Building	40 years
Land and Building Improvements	15 years
Furniture, Machinery and Equipment	5 to 15 years

**Leases**

The Authority's leases consist of leases of apartments to tenants reported as rental income and leases of office space and equipment reported as operating expenses. All of the Authority's carrying balances of capital assets are leased to various tenants in the form of operating leases. All operating leases are for a term of one year and cancellable upon sufficient notice.

**Compensated Absences**

Employees accumulate vacation and sick days for subsequent use or payment upon termination. Compensated absences are accrued when incurred and reported as a liability until paid. Employees can earn between 13 and 20 days of vacation and 12 days of sick time annually. Unused sick days are paid out only upon retirement, while vacation is paid upon termination.

**Deferred Outflows and Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense in future periods. Deferred inflows of resources represent an acquisition of net position of fund balance that applies to future periods and will be recognized as revenue, or a reduction in expense, in future periods.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Connecticut Municipal Employee Retirement System (CMERS) pension plan and additions to/deductions from CMERS's fiduciary net position have been determined on the same basis as they are reported by CMERS. For this purpose, benefit payments, (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

**Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as the Authority's Other Postemployment Benefits Plan (OPEB plan). For this purpose, the OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms.

**Equity Classifications**

Equity is classified as net position and displayed in three components in the Statement of Net Position.

**Net Investment in Capital Assets** consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted** consist of residual funding with constraints place on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations or other governments; or (2) law through constitutional provisions or enabling legislation. The Authority's restricted net position consist of unspent Housing Assistance Payment Funding provided by HUD.

**Unrestricted** consists of all other residual funding that does not meet the definition of restricted or Net Investment in Capital Assets.

**Use of Restricted Funds**

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**NOTE 2 – DEPOSITS**

**Custodial Credit Risk for Deposits**

The Authority maintains cash with FDIC depository banks. Additional protection against loss is provided for deposits in excess of FDIC insurance under Chapter 656 of the Connecticut General Statutes. The Statutes require every qualified public depository to maintain segregated collateral equal to at least ten percent of the average of the public deposits. Such additional protection is limited to the segregated collateral available.

At times, these balances may exceed the Federal insurance limits; however, the Authority has not experienced any losses with respect to its bank balances in excess of government provided insurance. In addition, such balances are fully collateralized through agreements with the financial institution in the entity's name. Therefore, management believes that no significant concentration or custodial of credit risk exists with respect to these cash balances as of March 31, 2020.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

The breakdown of restrictions on deposits reported as of March 31, 2020 is as follows:

<u>Restrictions on Deposits</u>	<u>Amount</u>	<u>Program</u>
Restricted Cash - Housing Assistance Payments	\$ 198,107	Housing Choice Vouchers
Restricted Cash - Tenant Security Deposits	22,800	Federal Public Housing
Restricted Cash - Tenant Security Deposits	<u>161,643</u>	State / Local
Total Restricted Cash	<u>\$ 382,550</u>	

**NOTE 3 – ACCOUNTS RECEIVABLE – OTHER**

The breakdown of Accounts Receivable - Other is as follows:

	<u>Amount</u>	<u>Program</u>
Eastern CT Area Agency	3,762	Federal Public Housing
HUD - Admin Fees	12,023	Housing Choice Voucher
Sundry	1,643	State Elderly
	<u>\$ 17,428</u>	

**NOTE 4 – CAPITAL ASSETS**

The following is a summary of Capital Assets as of March 31, 2020:

	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>
<b>Nondepreciable Assets:</b>				
Land	\$ 252,613	\$ -	\$ -	\$ 252,613
Construction in Progress	1,462,351	1,882,940	(228,024)	3,117,267
<b>Depreciable Assets:</b>				
Building and Improvements	37,425,620	717,519	-	38,143,139
Furniture & Equipment	914,922	124,199	(47,191)	991,930
	<u>40,055,506</u>	<u>2,724,658</u>	<u>(275,215)</u>	<u>42,504,949</u>
Accumulated Depreciation	<u>(31,597,565)</u>	<u>(1,343,522)</u>	47,191	<u>(32,893,896)</u>
Net Book Value	<u>\$ 8,457,941</u>			<u>\$ 9,611,053</u>

Significant activity in Construction in Progress includes redevelopment activity at Schwartz Manor and Eastwood Court, funded by State of CT DOH capital grants. Activity to Buildings and Improvements includes sidewalk and parking lot improvements and heating and cooling upgrades at Rosewood Manor.

**NORWICH HOUSING AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 5 – NONCURRENT LIABILITIES**

The following is a summary of Noncurrent Liabilities as of March 31, 2020:

	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>	<u>Due Within One Year</u>
Compensated Absences	\$ 149,319	113,439	\$ (106,823)	\$ 155,935	\$ 112,972
Net Pension Liability	1,942,886	91,565	(190,097)	1,844,354	-
OBEB Liability	134,244	18,320	(10,323)	142,241	-
	<u>\$ 2,226,449</u>	<u>\$ 223,324</u>	<u>\$ (307,243)</u>	<u>2,142,530</u>	<u>\$ 112,972</u>
			Less: Current Portion	112,972	
			Noncurrent Portion	<u>\$ 2,029,558</u>	

**NOTE 6 – CAPITAL LEASE OBLIGATIONS**

The Authority leases certain equipment under a master equipment lease-purchase agreement that is classified as a capital lease. The lease is being paid in equal monthly installments of \$5,412 over a period of 18 years and at an interest rate of 4.46% per annum. The lease term expires in January of 2027. The cost of these assets under capital lease is included on the Statement of Net Position as Building Improvements with a cost of \$806,040 less accumulated depreciation of \$537,360, for a carrying value of \$268,680 as of March 31, 2020.

Activity for the year ended March 31, 2020 is as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>	<u>Due Within One Year</u>
Capital Lease	\$ 428,734	\$ -	\$ (46,776)	\$ 381,958	\$ 48,775
	<u>\$ 428,734</u>	<u>\$ -</u>	<u>\$ (46,776)</u>	<u>381,958</u>	<u>\$ 48,775</u>
			Less Current Portion	(48,775)	
			Noncurrent Portion	<u>\$ 333,183</u>	

Future minimum rent payments by year and in the aggregate as of March 31, 2020:

<u>Year Ending</u>	<u>Principal Portion</u>	<u>Interest Portion</u>	<u>Rent Payment Amount</u>
2021	\$ 48,775	\$ 16,174	\$ 64,949
2022	51,132	13,817	64,949
2023	53,459	11,490	64,949
2024	55,893	9,056	64,949
2025	58,437	6,512	64,949
2026-2030	114,262	4,811	119,073
	<u>\$ 381,958</u>	<u>\$ 61,860</u>	<u>\$ 443,818</u>

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

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**NOTE 7 – REAL ESTATE TAXES (PILOT)**

Property owned by the Authority is exempt from local real estate taxes. The Authority makes a payment in lieu of taxes equal to 10% of rental income charged less utility expenses annually for all of its properties constructed with and funded by DOH and HUD. The payment in lieu of taxes for the year ended March 31, 2020 aggregated \$168,352; \$82,071 for Rosewood Manor/Schwartz Manor, \$27,137 for John F. Kennedy Heights II, \$12,779 for Eastwood Court, and \$46,365 for Oakwood Knoll.

**NOTE 8 – RETIREMENT PLAN**

**Plan Description**

The Authority is a member of a multiple-employer public retirement system established by the State of Connecticut and administered by the Connecticut Retirement Commission to provide retirement benefits for participating municipalities. Municipalities may designate which departments (including elective officers if so specified) are to be covered under CMERS. This designation may be the result of collective bargaining. Only employees covered under the State Teachers' Retirement System may not be included. There are no minimum age or service requirements. Membership is mandatory for all regular full-time employees of participating departments Chapter 113 Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes benefits, contribution rates, and other plan provisions. The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members. CMERS is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, CT 06106 or by calling 860-702-3500.

**Benefits Provided**

The plan provides retirement, disability and death benefits as defined in the Statutes. The retirement benefit is 2% of average final compensation, times years of service for members not covered by social security. The benefit for members covered by social security is 1 ½% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service. Employees are eligible to retire at age 55 with 5 years of continuous active service, or 15 years of active non-continuous aggregate service. Employees under the age of 55 are eligible to retire with 25 years of service under certain conditions. Employees can retire early after 5 years of continuous or 15 years of active aggregate service. The benefit can either be deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation. Long term disability benefits are calculated based on compensation and service to the date of the disability with a minimum benefit of 50% of compensation at the time of the disability. Pre-retirement death benefits are available in the form of a lump sum return of contributions with interest or surviving spouse benefit depending on length of service.

**Contributions**

The contribution requirements of the Authority are established and may be amended by the State Retirement Commission. Employees covered by social security are required by State Statute to contribute 2.75% of compensation up to the social security taxable wage base, plus 5% of compensation in excess of such base. Employees not covered by social security are required to contribute 5% of earnings. As of March 31, 2020, the Authority is required to contribute 13.73% of earnings. The total contribution is based on 16.48% of gross earnings. Contributions to the pension plan from the Authority totaled \$190,097 for the year ended March 31, 2020.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 8 – RETIREMENT PLAN (CONT'D)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

As of March 31, 2020, the Authority reported a net pension liability of \$1,844,354. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions, actuarially determined. As of June 30, 2019, the Authority's proportion was 0.4997%, which represents a decrease of .0083% from June 30, 2018.

For the year ended March 31, 2020 the Authority recognized pension expense of \$536,408. As of March 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 200,847	\$ 166,236
Differences between Projected and Actual Investment Earnings	75,083	-
Changes in Assumptions	487,119	
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	20,306	5,146
Contributions Made after Measurement Date	149,533	-
	<u>\$ 932,888</u>	<u>\$ 171,382</u>

\$149,533 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$ 243,799
2021	182,490
2022	211,320
2023	(25,636)
2024	-
Thereafter	-

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 8 – RETIREMENT PLAN (CONT'D)**

**Actuarial Assumptions**

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2017. The total pension liability in the reported on the June 30, 2019 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.25 - 10.00%, including inflation
Investment Rate of Return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB. Future Cost-of-Living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation

Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	20.0%	5.3%
Developed Market International	11.0%	5.1%
Emerging Market International	9.0%	7.4%
Core Fixed Income	16.0%	1.6%
Inflation Linked Bond	5.0%	1.3%
Emerging Market Debt	5.0%	2.9%
High Yield Bond	6.0%	3.4%
Real Estate	10.0%	4.7%
Private Equity	10.0%	7.3%
Alternative Investments	7.0%	3.2%
Liquidity Fund	1.0%	0.9%
Total	100.0%	

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarial determined rates in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 8 – RETIREMENT PLAN (CONT'D)**

**Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following projects the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease (6%)	Discount Rate (7%)	1% Increase (8%)
Authority's Porportionate Share of Net Pension Liability	\$ 2,628,209	\$ 1,844,354	\$ 1,184,151

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CMERS financial report.

**NOTE 9 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**

**Plan Description**

One retired employee is eligible for medical, dental and life coverage in retirement. No other participants are expected to become eligible for the plan. The Authority will pay 100% of the medical, dental and life insurance premiums.

**Funding Policy**

The contribution requirements of plan members and the authority are established and may be amended through Authority policies. The Authority is not required by law or contractual agreement to provide funding for the Plan other than the pay-as-you-go amount necessary to provide current benefits to retirees and eligible beneficiaries/dependents. For the fiscal year ended March 31, 2020, the Authority paid \$9,440 on behalf of the Plan.

**Actuarial Methods and Assumptions**

The total OPEB liability was determined by an actuarial valuation as of April 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% per annum
Salary Increases	3.00% per annum
Discount Rate	3.25% per annum
Healthcare Trend Rates	4.50% per annum

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Additional disclosures concerning an actuarial valuation include:

Actuarial valuations are based on estimates that are likely to change over time.

Actuarial calculations are long-term in nature, and techniques are used to reduce the short-term volatility of actuarial accrued liabilities and the actuarial valuation of assets.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 9 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)**

Mortality rates were based on the RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.

**Sensitivity of the Net OPEB Liability to changes in the Healthcare Trend Rates**

The following presents the net OPEB liability of the Authority, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rate that are 1-percentage-point lower or 1-percentagepoint higher than the current healthcare cost trend rates:

	Decrease 1%	Baseline Trend	Increase 1%
Net OPEB Liability (Asset)	\$ 155,414	\$ 143,124	\$ 132,395
Change from Baseline	\$ 12,290	\$ -	\$ (10,729)

**Discount Rate**

As of March 31, 2020, the discount rate was 3.25%, a decrease of 0.25% from the previous measurement date of April 1, 2018. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan's funding policy. Because there is no funding policy, the discount rate was determined by a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rate of AA/Aa or higher, which was based on the S&P Municipal Bond 20 – Year High Grade Index (SAPIHG) as of April 1, 2019.

**Sensitivity of the Net OPEB Liability to changes in the Discount Rate**

The following presents the net OPEB liability of the Authority, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.25%) or 1- percentage-point higher (4.25%) than the current rate:

	1% Decrease (2.25%)	Discount Rate (3.25%)	1% Increase (4.25%)
Net OPEB Liability (Asset)	\$ 133,446	\$ 143,124	\$ 153,982

**Changes in the Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
<b>Beginning Balances</b>	\$ 134,244	\$ -	\$ 134,244
Service Cost	-	-	-
Interest	4,535	-	4,535
Changes in Assumptions	8,456	-	8,456
Differences Between Actual and Expected Experiences	5,329	-	5,329
Net Investment Income	-	-	-
Benefit Payments	(10,323)	-	(10,323)
<b>Net Changes</b>	7,997	-	7,997
<b>Ending Balances</b>	\$ 142,241	\$ -	\$ 142,241

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 9 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)**

**Net OPEB Liability of the Authority**

The Authority's net OPEB liability was measured as of April 1, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of April 1, 2019. The components of the net OPEB liability of the Authority as of March 31, 2020, were as follows:

Total OPEB Liability	\$	142,241
Plan Fiduciary Net Position		-
Authority's net OPEB Liability	\$	142,241

**OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB**

For the year ended March 31, 2020, the Authority recognized OPEB expense of \$7,292. As of March 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 4,263	\$ -
Differences between Projected and Actual Investment Earnings	-	-
Changes of Assumptions	6,765	-
Contributions Made after Measurement Date	-	-
	\$ 11,028	\$ -

The Authority reported \$-0- as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability in the year ended March 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB plan will be recognized in OPEB expense as follows:

Year ended March 31:		
2021	\$	2,757
2022		2,757
2023		2,757
2024		2,757
2025		-
Thereafter		-

Key assumptions changed since the prior actuarial valuation as follows:

Due to GASB 75 standards the discount rate was changed from 3.50% to 3.25%.

The mortality table has been updated from the RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 to the RP-2014 Mortality Table projected generationally with scale MP-2016 for males and females.

The expected long-term medical trend has been updated to 4.50%.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 10 – OTHER RETIREMENT PLANS**

The Authority provides employees a separate deferred compensation plan in accordance with IRC §457. The plan is open to all employees. Employee contributions during 2020 were \$131,865. There were no employer contributions.

**NOTE 11 – HOUSING CHOICE VOUCHER NET POSITION SUMMARY**

The following is a summary of Housing Choice Voucher's Net Position as of March 31, 2020:

	<u>Unrestricted Net Position</u>	<u>Restricted Net Position</u>	<u>Total</u>
Beginning Net Position, Restated	\$ 610,899	\$ 112,291	\$ 723,190
Revenues			
HUD Operating Grants	443,924	3,974,248	4,418,172
Investment Income	2,555	-	2,555
Fraud Recovery	30,408	30,408	60,816
Other Income	1,774	-	1,774
Total Revenues	<u>478,661</u>	<u>4,004,656</u>	<u>4,483,317</u>
Expenses			
Operating	471,001	-	471,001
Housing Assistance Payments	-	3,918,840	3,918,840
Total Expenses	<u>471,001</u>	<u>3,918,840</u>	<u>4,389,841</u>
Change in Net Position	7,660	85,816	93,476
Ending Net Position	<u>\$ 618,559</u>	<u>\$ 198,107</u>	<u>\$ 816,666</u>
HUD-Held Reserves (HHR)		<u>\$ 680,834</u>	

**NOTE 12 – STATE FINANCIAL ASSISTANCE**

**Elderly Rental Assistance Payments Program 2018-2019:**

An Assistance Agreement was entered into, by and between the State of Connecticut and the Authority, wherein the State of Connecticut agreed to pay the required share of the cost of a Resident Service Coordinator Program not to exceed \$128,700.

The final program cost was determined to be \$115,343, resulting in \$13,357 due back to DOH.

**Resident Service Coordinator Program 2019-2020:**

An Assistance Agreement was entered into, by and between the State of Connecticut and the Authority, wherein the State of Connecticut agreed to pay the required share of the cost of a Resident Service Coordinator Program not to exceed \$108,852.

The current program cost was determined to be \$71,103.

**Resident Service Coordinator Program 2018-2019:**

An Assistance Agreement was entered into, by and between the State of Connecticut and the Authority, wherein the State of Connecticut agreed to pay the required share of the cost of a Resident Service Coordinator Program not to exceed \$38,032.

The final program cost was determined to be \$38,032.

**NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 12 – STATE FINANCIAL ASSISTANCE (CONT'D)**

Resident Service Coordinator Program 2019-2020:

An Assistance Agreement was entered into, by and between the State of Connecticut and the Authority, wherein the State of Connecticut agreed to pay the required share of the cost of a Resident Service Coordinator Program not to exceed \$39,160.

The current program cost was determined to be \$34,221.

**NOTE 13 – HUD CAPITAL FUND PROGRAM**

The Authority is awarded federal capital grants from HUD. The grants are to be expended for modernization and replacement housing related to its federal public housing projects.

The following grants have been fully expended, disbursed, all work completed, and liabilities fully paid as of March 31, 2020:

	<b>CT26-P018</b>	
	<u>501-18</u>	<u>501-19</u>
Funds Authorized	<u>\$ 319,614</u>	<u>\$ 332,255</u>
Funds Advanced	319,614	332,255
Less Project Expenditures	<u>(319,614)</u>	<u>(332,255)</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>

No grants were open as of March 31, 2020.

**NOTE 14 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS**

The Authority receives a substantial portion of revenue from the HUD. The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost to comply with the change.

**NOTE 15 – COMMITMENTS AND CONTINGENCIES**

During fiscal year 2019, the Authority was awarded a grant through the State Multi-family Housing Revitalization Program in the amount of \$1,822,738 for the purpose of revitalizing the property known as Eastwood Court. This agreement requires that the Authority rent all 25 units to persons whose income is at or below 80% of the area median income for a period of 30 years. The grant does not accrue interest and no repayments are necessary except if the Authority defaults on the terms or the project generates surplus cash. If surplus cash is generated then 50% of the amount will be used to pay down the balance of the grant, 25% will be deposited into a replacement reserve account and 25% can be used to advance affordable housing initiatives.

NORWICH HOUSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED MARCH 31, 2020

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**NOTE 16 – DATE OF MANAGEMENT'S REVIEW**

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through December 30, 2020, the date which the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**NORWICH HOUSING AUTHORITY  
SCHEDULES OF REQUIRED SUPPLEMENTARY PENSION INFORMATION  
FOR THE YEAR ENDED MARCH 31, 2020**

**Schedule of the Authority's Proportionate Share of the Net Position Liability**

	Reporting Fiscal Year (Measurement Date)		
	2020 (2019)	2019 (2018)	2018 (2017)
Authority's Portion of the Net Pension Liability (Asset)	0.4997%	0.5080%	0.4870%
Authority's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,844,354	\$ 1,943,690	\$ 804,430
Authority's Covered-Employee Payroll	\$ 1,284,626	\$ 1,430,513	\$ 1,310,341
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	143.57%	135.87%	61.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.69%	73.60%	91.68%
	2016 (2015)	2015 (2014)	2014 through 2012
Authority's Portion of the Net Pension Liability (Asset)	0.4980%	0.4980%	Information not available
Authority's Proportionate Share of the Net Pension Liability (Asset)	\$ 681,701	\$ 483,278	
Authority's Covered-Employee Payroll	\$ 1,104,903	\$ 1,104,903	
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	61.70%	43.74%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.47%	90.48%	

**NORWICH HOUSING AUTHORITY**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY PENSION INFORMATION**  
**FOR THE YEAR ENDED MARCH 31, 2020**

**Schedule of Authority Contributions**

	2020	2019	2018	2017
Statutorily Required Contribution	\$ 190,097	\$ 153,674	\$ 153,834	\$ 133,751
Contributions in Relation to the Statutorily Required Contribution	\$ (190,097)	\$ (153,674)	\$ (153,834)	\$ (133,751)
Contribution Deficiency (Excess)	<u>\$ 1,436,592</u>	<u>\$ 1,308,978</u>	<u>\$ 1,320,464</u>	<u>\$ 1,175,316</u>
Authority's Covered Payroll				
Contributions as a Percentage of Covered- Employee Payroll	13.73%	11.74%	11.74%	11.38%

2014  
through  
2012

Statutorily Required Contribution	\$ 126,250	\$ 132,298	Information not available	
Contributions in Relation to the Statutorily Required Contribution	\$ (126,250)	\$ (132,298)		
Contribution Deficiency (Excess)	<u>\$ 1,094,970</u>	<u>\$ 1,104,324</u>		
Authority's Covered Payroll				
Contributions as a Percentage of Covered-Employee Payroll	11.38%	11.98%		

**Notes to Schedules of Required Supplementary Information**

*Changes in Benefits*  
None

*Changes in Assumptions*

Effective for the 2018 measurement date the following changes in assumptions were noted:  
*Discount Rate – 8.00% to 7.00%*

**NORWICH HOUSING AUTHORITY  
SCHEDULES OF REQUIRED SUPPLEMENTARY PENSION INFORMATION  
FOR THE YEAR ENDED MARCH 31, 2020**

**Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios**

	2020	2019	2018 through 2012
<b>Total OPEB Liability</b>			
Service Cost	\$ -	\$ -	Information not available
Interest	4,535	4,694	
Changes of Benefit Terms	-	-	
Differences between expected and actual experience	8,456	-	
Changes of Assumptions	5,329	-	
Benefit Payments	(10,323)	(9,036)	
<b>Net Change in Total OPEB Liability</b>	<u>7,997</u>	<u>(4,342)</u>	
<b>Total OPEB Liability - Beginning</b>	<u>134,244</u>	<u>138,586</u>	
<b>Total OPEB Liability - Ending</b>	<u>\$ 142,241</u>	<u>\$ 134,244</u>	

Authority's Total OPEB Liability as a percentage of covered payroll

0.00%

0.00%

Covered-Employee Payroll

-

**Notes to Schedule:**

Benefit Changes: None

*Changes in Assumptions*

Effective March 31, 2020 - Discount rate decreased from 3.50% to 3.25%

Effective March 31, 2019 - Discount rate decreased from 4.00% to 3.50%

Norwich Housing Authority (CT018)  
 Norwich, CT  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	Project Total	14,871 Housing Choice Vouchers	14,182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities
111 Cash - Unrestricted	\$754,256	\$618,319	\$71,034	\$7,473,136	
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$198,107			
114 Cash - Tenant Security Deposits	\$22,800			\$161,643	
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$777,056	\$1,016,426	\$71,034	\$7,634,779	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects		\$12,023			
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$3,762			\$1,643	
126 Accounts Receivable - Tenants	\$5,686			\$41,326	
126.1 Allowance for Doubtful Accounts - Tenants	-\$3,549			-\$15,899	
126.2 Allowance for Doubtful Accounts - Other	-\$622,750	\$0		\$0	
127 Notes, Loans, & Mortgages Receivable - Current	\$622,750				
128 Fraud Recovery		\$63,047		\$255	
128.1 Allowance for Doubtful Accounts - Fraud		-\$63,047		\$0	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$5,899	\$12,023	\$0	\$27,325	\$0
131 Investments - Unrestricted					
142 Prepaid Expenses and Other Assets	\$47,412	\$5,245		\$41,412	
144 Inter Program Due From					
150 Total Current Assets	\$851,924	\$1,033,694	\$71,034	\$7,779,944	\$0
161 Land	\$6,958			\$131,155	\$112,500
162 Buildings	\$13,693,042			\$24,450,097	
163 Furniture, Equipment & Machinery - Dwellings				\$354,458	
164 Furniture, Equipment & Machinery - Administration	\$67,389	\$98,363	\$124,036	\$347,674	
166 Accumulated Depreciation	-\$10,757,338	-\$87,492	-\$89,913	-\$21,959,153	\$0
167 Construction in Progress	\$239,215			\$2,878,052	
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,251,266	\$10,871	\$34,123	\$6,202,293	\$112,500

Norwich Housing Authority (CT018)  
 Norwich, CT  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133 Fiscal Year End: 03/31/2020

	93,044 Special Programs for the Aging Title III, Part B Grants for Supportive	Subtotal	ELIM	Total
111 Cash - Unrestricted		\$9,116,745		\$9,116,745
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted		\$198,107		\$198,107
114 Cash - Tenant Security Deposits		\$184,443		\$184,443
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$0	\$9,499,295		\$9,499,295
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects		\$12,023		\$12,023
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous		\$5,405		\$5,405
126 Accounts Receivable - Tenants		\$47,012		\$47,012
126.1 Allowance for Doubtful Accounts - Tenants		-\$19,448		-\$19,448
126.2 Allowance for Doubtful Accounts - Other		-\$622,750		-\$622,750
127 Notes, Loans, & Mortgages Receivable - Current		\$622,750		\$622,750
128 Fraud Recovery		\$63,302		\$63,302
128.1 Allowance for Doubtful Accounts - Fraud		-\$63,047		-\$63,047
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$45,247		\$45,247
131 Investments - Unrestricted				
142 Prepaid Expenses and Other Assets		\$94,069		\$94,069
144 Inter Program Due From				
150 Total Current Assets	\$0	\$9,736,596		\$9,736,596
161 Land				
162 Buildings		\$252,613		\$252,613
163 Furniture, Equipment & Machinery - Dwellings		\$38,143,139		\$38,143,139
164 Furniture, Equipment & Machinery - Administration		\$354,468		\$354,468
166 Accumulated Depreciation		\$637,462		\$637,462
167 Construction in Progress		-\$32,893,896		-\$32,893,896
168 Infrastructure		\$3,117,267		\$3,117,267
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$9,611,053		\$9,611,053

Norwich Housing Authority (CT018)  
 Norwich, CT  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	Project Total	14,871 Housing Choice Vouchers	14,182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities
180 Total Non-Current Assets	\$3,251,266	\$10,871	\$34,123	\$6,202,293	\$112,500
200 Deferred Outflow of Resources	\$235,601	\$255,358		\$452,957	
290 Total Assets and Deferred Outflow of Resources	\$4,338,791	\$1,299,923	\$105,157	\$14,435,194	\$112,500
311 Bank Overdraft					
312 Accounts Payable <= 90 Days		\$825		\$93,377	
313 Accounts Payable >90 Days Past Due				\$0	
321 Accrued Wage/Payroll Taxes Payable	\$3,979	\$2,109		\$10,212	
322 Accrued Compensated Absences - Current Portion	\$28,369	\$28,509		\$56,094	
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs		\$2,500			
332 Account Payable - PHA Projects	\$46,385			\$154,583	
333 Accounts Payable - Other Government	\$22,800			\$161,643	
341 Tenant Security Deposits	\$8,615	\$0		\$60,346	
342 Unearned Revenue	\$48,775				
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other	\$28,660	\$8,000			
347 Inter Program - Due To					
310 Total Current Liabilities	\$187,563	\$41,943	\$0	\$535,257	\$0

Norwich Housing Authority (CT018)  
 Norwich, CT  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	Subtotal	ELIM	Total
180 Total Non-Current Assets	\$0	\$9,611,053		\$9,611,053
200 Deferred Outflow of Resources		\$943,916		\$943,916
290 Total Assets and Deferred Outflow of Resources	\$0	\$20,291,565		\$20,291,565
311 Bank Overdraft				
312 Accounts Payable <= 90 Days		\$94,202		\$94,202
313 Accounts Payable >90 Days Past Due		\$0		\$0
321 Accrued Wage/Payroll Taxes Payable		\$16,300		\$16,300
322 Accrued Compensated Absences - Current Portion		\$112,972		\$112,972
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs		\$2,500		\$2,500
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government		\$200,948		\$200,948
341 Tenant Security Deposits		\$184,443		\$184,443
342 Unearned Revenue		\$68,963		\$68,963
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		\$48,775		\$48,775
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other		\$36,660		\$36,660
347 Inter Program - Due To				
310 Total Current Liabilities	\$0	\$765,763		\$765,763

Norwich Housing Authority (CT018)  
 Norwich, CT  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133 Fiscal Year End: 03/31/2020

	Project Total	14,871 Housing Choice Vouchers	14,182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$333,183				
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absentees - Non Current	\$9,803	\$6,347		\$26,813	
357 Accrued Pension and OPEB Liabilities	\$470,235	\$411,384		\$1,104,976	
350 Total Non-Current Liabilities	\$813,221	\$417,731	\$0	\$1,131,789	\$0
300 Total Liabilities	\$1,000,784	\$459,674	\$0	\$1,668,046	\$0
400 Deferred Inflow of Resources	\$40,903	\$23,583		\$106,896	
508.4 Net Investment in Capital Assets	\$2,869,308	\$10,871	\$34,123	\$6,202,293	\$112,500
511.4 Restricted Net Position		\$198,107			
512.4 Unrestricted Net Position	\$427,795	\$607,688	\$71,034	\$6,457,959	\$0
513 Total Equity - Net Assets / Position	\$3,297,104	\$816,666	\$105,157	\$12,660,252	\$112,500
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$4,338,791	\$1,299,923	\$105,157	\$14,435,194	\$112,500

Norwich Housing Authority (CT018)  
 Norwich, CT  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$333,183		\$333,183
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current		\$42,963		\$42,963
357 Accrued Pension and OPEB Liabilities		\$1,986,595		\$1,986,595
350 Total Non-Current Liabilities	\$0	\$2,362,741		\$2,362,741
300 Total Liabilities	\$0	\$3,128,504		\$3,128,504
400 Deferred Inflow of Resources		\$171,382		\$171,382
508.4 Net Investment in Capital Assets		\$9,229,095		\$9,229,095
511.4 Restricted Net Position		\$198,107		\$198,107
512.4 Unrestricted Net Position	\$0	\$7,564,477		\$7,564,477
513 Total Equity - Net Assets / Position	\$0	\$16,991,679		\$16,991,679
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$20,291,565		\$20,291,565

Nowrich Housing Authority (CT018)  
Norwich, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	Project Total	14.871 Housing Choice Vouchers	14.182 NYC S/R Section 8 Programs	2 State/Local	1 Business Activities
70300 Net Tenant Rental Revenue	\$753,075			\$3,502,052	
70400 Tenant Revenue - Other	\$29,016			\$50,512	
70500 Total Tenant Revenue	\$782,091	\$0	\$0	\$3,552,564	\$0
70600 HUD PHA Operating Grants	\$721,589	\$4,418,172	\$423,824		
70610 Capital Grants	\$410,024				
70800 Other Government Grants				\$1,516,979	
71100 Investment Income - Unrestricted	\$3,691	\$2,555		\$41,228	
71400 Fraud Recovery		\$60,816			
71500 Other Revenue	\$41,222	\$1,774		\$101,167	
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$1,958,597	\$4,483,317	\$423,824	\$5,213,938	\$0
91100 Administrative Salaries	\$186,817	\$199,305		\$548,820	
91200 Auditing Fees	\$4,609			\$5,670	
91300 Management Fee			\$14,743		
91310 Book-keeping Fee					
91400 Advertising and Marketing	\$609	\$100		\$6,252	
91500 Employee Benefit contributions - Administrative	\$143,418	\$130,181		\$284,804	
91600 Office Expenses	\$22,159	\$52,255		\$76,908	
91700 Legal Expense	\$7,844	\$3,333		\$34,348	
91800 Travel	\$7,302	\$5,971		\$8,224	
91810 Allocated Overhead					
91900 Other	\$10,223	\$47,738		\$13,855	
91000 Total Operating - Administrative	\$382,981	\$438,883	\$14,743	\$778,881	\$0

Nowrich Housing Authority (CT018)  
 Norwich, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue		\$4,255,127		\$4,255,127
70400 Tenant Revenue - Other		\$79,528		\$79,528
70500 Total Tenant Revenue	\$0	\$4,334,655		\$4,334,655
70600 HUD PHA Operating Grants		\$5,563,565		\$5,563,565
70610 Capital Grants		\$410,024		\$410,024
70800 Other Government Grants	\$13,888	\$1,532,867		\$1,532,867
71100 Investment Income - Unrestricted		\$47,474		\$47,474
71400 Fraud Recovery		\$60,816		\$60,816
71500 Other Revenue		\$144,163		\$144,163
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	\$13,888	\$12,093,564		\$12,093,564
91100 Administrative Salaries		\$734,942		\$734,942
91200 Auditing Fees		\$10,279		\$10,279
91300 Management Fee		\$14,743		\$14,743
91310 Book-keeping Fee				
91400 Advertising and Marketing		\$6,961		\$6,961
91500 Employee Benefit contributions - Administrative		\$558,403		\$558,403
91600 Office Expenses		\$151,322		\$151,322
91700 Legal Expense		\$45,525		\$45,525
91800 Travel		\$21,497		\$21,497
91810 Allocated Overhead				
91900 Other		\$71,816		\$71,816
91000 Total Operating - Administrative	\$0	\$1,615,488		\$1,615,488

Nowrich Housing Authority (CT018)  
Norwich, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	Project Total	14,871 Housing Choice Vouchers	14,162 N/C SIR Section 8 Programs	2 State/Local	1 Business Activities
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$12,550			\$45,478	
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$12,550	\$0	\$0	\$45,478	\$0
93100 Water	\$58,561			\$191,329	
93200 Electricity	\$43,728			\$34,720	
93300 Gas	\$106,920			\$22,150	
93400 Fuel	\$213				
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense	\$25,521			\$46,105	
93900 Total Utilities	\$314,943	\$0	\$0	\$294,304	\$0
94100 Ordinary Maintenance and Operations - Labor	\$144,212			\$524,076	
94200 Ordinary Maintenance and Operations - Materials and Other	\$48,991			\$307,300	
94300 Ordinary Maintenance and Operations Contracts	\$237,298			\$478,327	
94500 Employee Benefit Contributions - Ordinary Maintenance	\$96,073			\$391,117	
94000 Total Maintenance	\$526,574	\$0	\$0	\$1,700,820	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$901				
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$901	\$0	\$0	\$0	\$0

Norwich Housing Authority (CT018)  
Norwich, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	93.044 Special Programs for the Aging, Title III, Part B Grants for Supportive	Subtotal	ELIM	Total
92000 Asset Management Fee				
92100 Tenant Services - Salaries	\$13,888	\$71,916		\$71,916
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other				
92500 Total Tenant Services	\$13,888	\$71,916		\$71,916
93100 Water				
93200 Electricity		\$249,890		\$249,890
93300 Gas		\$78,448		\$78,448
93400 Fuel		\$209,070		\$209,070
93500 Labor		\$213		\$213
93600 Sewer				
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense		\$71,626		\$71,626
93000 Total Utilities	\$0	\$609,247		\$609,247
94100 Ordinary Maintenance and Operations - Labor				
94200 Ordinary Maintenance and Operations - Materials and Other		\$668,288		\$668,288
94300 Ordinary Maintenance and Operations Contracts		\$356,291		\$356,291
94500 Employee Benefit Contributions - Ordinary Maintenance		\$715,625		\$715,625
94000 Total Maintenance	\$0	\$487,190		\$487,190
		\$2,227,394		\$2,227,394
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs		\$901		\$901
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$901		\$901

Norwich Housing Authority (CT018)  
Norwich, CT  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	Project Total	14,871 Housing Choice Vouchers	14,182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities
96110 Property Insurance					
96120 Liability Insurance				\$96,297	
96130 Workmen's Compensation				\$34,732	
96140 All Other Insurance	\$68,763	\$12,668		\$15,799	
96100 Total Insurance Premiums	\$68,763	\$12,668	\$0	\$146,828	\$0
96200 Other General Expenses	\$10,000	\$7,612			
96210 Compensated Absences	\$1,473	\$2,821		\$2,322	
96300 Payments in Lieu of Taxes	\$46,365			\$121,987	
96400 Bad debt - Tenant Rents	\$6,215			\$32,923	
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$64,053	\$10,433	\$0	\$157,232	\$0
96900 Total Operating Expenses	\$1,388,938	\$461,984	\$14,743	\$3,123,543	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$569,659	\$4,021,333	\$409,061	\$2,090,395	\$0
97100 Extraordinary Maintenance	\$16,541	\$3,738		\$35,009	
97300 Housing Assistance Payments		\$3,918,840	\$399,254		
97350 HAP Portability-In					
97400 Depreciation Expense	\$359,484	\$5,279	\$24,807	\$953,952	
90000 Total Expenses	\$1,764,963	\$4,389,841	\$438,804	\$4,112,504	\$0
10010 Operating Transfer In	\$93,040				
10020 Operating transfer Out	-\$93,040				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0

Nowrich Housing Authority (CT018)  
Norwich, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	93.044 Special Programs for the Aging Title III, Part B Grants for Supportive	Subtotal	ELIM	Total
96110 Property Insurance		\$96,297		\$96,297
96120 Liability Insurance				
96130 Workmen's Compensation		\$34,732		\$34,732
96140 All Other Insurance		\$97,230		\$97,230
96100 Total Insurance Premiums	\$0	\$228,259		\$228,259
96200 Other General Expenses		\$17,612		\$17,612
96210 Compensated Absences		\$6,616		\$6,616
96300 Payments in Lieu of Taxes		\$168,352		\$168,352
96400 Bad debt - Tenant Rentals		\$39,138		\$39,138
96500 Bad debt - Mortgages				
96600 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	\$0	\$231,718		\$231,718
96900 Total Operating Expenses	\$13,888	\$5,003,096		\$5,003,096
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$7,090,468		\$7,090,468
97100 Extraordinary Maintenance		\$55,288		\$55,288
97300 Housing Assistance Payments		\$4,318,094		\$4,318,094
97350 HAP Portability-In				
97400 Depreciation Expense		\$1,343,522		\$1,343,522
90000 Total Expenses	\$13,888	\$10,720,000		\$10,720,000
10010 Operating Transfer In		\$93,040	-\$93,040	\$0
10020 Operating transfer Out		-\$93,040	\$93,040	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0		\$0

Nowrich Housing Authority (CT018)  
Norwich, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	Project Total	14,871 Housing Choice Vouchers	14,182 N/C S/R Section 8 Programs	2 State/Local	1 Business Activities
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$193,634	\$93,476	-\$14,980	\$1,101,434	\$0
11020 Required Annual Debt Principal Payments	\$46,776	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$3,103,470	\$723,190	\$120,137	\$11,558,818	\$112,500
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0			\$0	
11170 Administrative Fee Equity		\$618,559			
11180 Housing Assistance Payments Equity		\$198,107			
11190 Unit Months Available	2124	6168	900	6108	0
11210 Number of Unit Months Leased	2088	6058	900	5813	0
11270 Excess Cash	\$479,648				
11610 Land Purchases	\$0				
11620 Building Purchases	\$418,735				
11630 Furniture & Equipment - Dwelling Purchases	\$22,760				
11640 Furniture & Equipment - Administrative Purchases	\$3,385				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Nowich Housing Authority (CT018)  
 Norwich, CT

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2020

	93.044 Special Programs for the Aging, Title III, Part B Grants for Supportive	Subtotal	ELIM	Total
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	\$1,373,564		\$1,373,564
11020 Required Annual Debt Principal Payments	\$0	\$46,776		\$46,776
11030 Beginning Equity	\$0	\$15,618,115		\$15,618,115
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors		\$0		\$0
11170 Administrative Fee Equity		\$618,559		\$618,559
11180 Housing Assistance Payments Equity		\$198,107		\$198,107
11190 Unit Months Available		15300		15300
11210 Number of Unit Months Leased		14859		14859
11270 Excess Cash		\$479,648		\$479,648
11510 Land Purchases		\$0		\$0
11620 Building Purchases		\$418,735		\$418,735
11630 Furniture & Equipment - Dwelling Purchases		\$22,760		\$22,760
11640 Furniture & Equipment - Administrative Purchases		\$3,385		\$3,385
11650 Leasehold Improvements Purchases		\$0		\$0
11660 Infrastructure Purchases		\$0		\$0
13510 CFFP Debt Service Payments		\$0		\$0
13901 Replacement Housing Factor Funds		\$0		\$0

**STATEMENT OF OPERATIONS**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-50 (Rev. 12/2017--Effective FYE 12/31/2017)

Project Name:	John F. Kennedy Heights II	Fiscal Year-End:	March 31, 2020
CHFA Number:	90107D	Beginning Date:	April 1, 2019
HUD Number:		Mortgagor:	Norwich Housing Authority

Part I: P&L	Description of Account	HUD Acct. #	SHP Acct. #	Amount*
	Rent Revenue- Gross Potential (Tenant's Portion)	5120	3100	\$ 168,989
	Rental Income-Excess of Base	5120.1	3100.1	\$ 43,010
	Tenant Assistance Payments (HAP Receipts)	5121		\$ 65,734
	Tenant Assistance Payments (RAP Receipts)	5121.1	2811	\$ -
	Tenant Assistance Payments (ERAP Receipts)	5121.2		\$ -
	Tenant Assistance Payments - Congregate	5121.3		\$ -
	Rent Revenue- Stores & Commercial	5140		\$ -
Rental Income	Rent Revenue- Garage & Parking	5170	3300	\$ -
5100	Flexible Subsidy Revenue	5180		\$ -
	Miscellaneous Rent Revenue**	5190	3120 & 3300	\$ -
	Excess Rent	5191	3100.1	\$ -
	Excess Utilities	5191.1	3110	\$ -
	Rent Revenue- Insurance	5192		\$ -
	Special Claims Revenue	5193	3220	\$ -
	Retained Excess Income	5194		\$ -
	<b>Total Rent Revenue (GPI @ 100% Occupancy)</b>	<b>5100T</b>		<b>\$ 267,733</b>
Vacancies	Apartments- Vacancy	5220	3210	\$ 4,089
5200	Stores & Commercial- Vacancy	5240		\$ -
	Rental Concessions	5250		\$ -
	Garage & Parking- Vacancy	5270		\$ -
	Miscellaneous** (other vacancy)	5290		\$ -
	<b>Total Vacancies</b>	<b>5200T</b>		<b>\$ 4,089</b>
	<b>Net Rental Revenue Rent Revenue Less Vacancy</b>	<b>5125N</b>		<b>\$ 263,644</b>
	Elderly & Congregate Service Income (attach schedule)	5300		\$ 0
Financial Revenue	Financial Revenue - Project Operations	5410	3610	\$ 3,526
5400	Revenue from Investments - Residual Receipts	5430		\$ -
	Revenue from Investments - Replacement Reserves	5440		\$ -
	Revenue from Investments - Miscellaneous **	5490		\$ -
	<b>Total Financial Revenue</b>	<b>5400T</b>		<b>\$ 3,526</b>
Other Revenue	Laundry & Vending Revenue	5910	3620	\$ -
5900	Tenant Charges	5920		\$ 5,759
	Sales & Service to Tenants (including Cable TV fees)	5943	3510	\$ -
	Interest Reduction Payments	5945		\$ -
	Grant Income - Capital Grant - Unrestricted	5980		\$ -
	Grant Income - Capital Grant - Temporarily Restricted	5981		\$ -
	Miscellaneous Revenue (Specify) **	5990	6100	\$ -
	<b>Total Other Revenue</b>	<b>5900T</b>		<b>\$ 5,759</b>
	<b>Total Revenue</b>	<b>5030T</b>		<b>\$ 302,929</b>
Administrative Expenses	Conventions & Meetings	6203	4153	\$ 588
6200/6300	Management Consultants	6204		\$ -
	Advertising & Marketing	6210		\$ 407
	Apartment Resale Expenses (Coops)	6235		\$ -
	Other Renting Expenses	6250	4152	\$ -
	Office Salaries	6310	4120	\$ 29,792
	Salaries - RSC	6310.1		\$ -
	Office Expenses	6311		\$ 3,880
	Office or Model Apartment Rent	6312		\$ -
	Compensated Absences - Administrative Salaries	6313	4120.1	\$ -
	Management Fee	6320	4132	\$ -
	Manager or Superintendent Salaries	6330		\$ -
	Administrative Rent Free Unit	6331		\$ -
	Legal Expense (Project)	6340	4130	\$ 4,358
	Audit Expense	6350		\$ 405
	Bookkeeping Fees/Accounting Services	6351	4131	\$ 645
	Bad Debts	6370	4620	\$ 2,804
	State Service Charge - Administrative	6380	4716	\$ -
	Miscellaneous Administrative Expenses **	6390		\$ 2,113
	<b>Total Administrative Expenses</b>	<b>6263T</b>		<b>\$ 44,992</b>

Statement of Operations

Part I- Cont.

	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Utilities Expenses 6400	Fuel Oil/ Coal	6420	4340	\$ -	
	Electricity	6450	4320	\$ 799	
	Water	6451	4310	\$ 19,736	
	Gas	6452	4330	\$ 1,744	
	Sewer	6453	4380	\$ -	
	Cable Television	6454	4350	\$ -	
	<b>Total Utilities Expense</b>	<b>6400T</b>			<b>\$ 22,279</b>
Operating & Maintenance Expenses 6500	Payroll	6510	4410	\$ 53,500	
	Compensated Absences - Maintenance Wages	6510.1	4410.1	\$ -	
	Supplies	6515	4420	\$ 23,797	
	Contracts	6520	4430	\$ 15,428	
	Operating & Maintenance Rent Free Unit	6521		\$ -	
	Garbage & Trash Removal	6525	4710	\$ 4,464	
	Security Payroll/ Contracts	6530		\$ -	
	Security Rent Free Unit	6531		\$ -	
	Heating/Cooling Repairs & Maintenance	6546		\$ 6,361	
	Snow Removal	6548		\$ -	
	Vehicle & Maintenance Equip. Operation & Repair	6570	4440	\$ 1,869	
	Miscellaneous Operating & Maintenance **	6590	6200	\$ 10,978	
	<b>Total Operating &amp; Maintenance Expenses</b>	<b>6500T</b>			<b>\$ 118,397</b>
Taxes & Insurance 6700	Real Estate Tax	6710	4715	\$ 27,137	
	Payroll Taxes (project share)	6711	4161	\$ 6,620	
	Property & Liability Insurance	6720	4711	\$ 7,902	
	Fidelity Bond Insurance	6721		\$ 112	
	Workmen's Compensation	6722		\$ 3,308	
	Health Insurance & Other Employee Benefits	6723	4160	\$ 69,969	
	Pension Expense	6724		\$ (10,750)	
	Other Post-Employment Benefits Expense	6725		\$ -	
	Misc. Taxes, Licenses, Permits & Insurance **	6790		\$ 1,484	
		<b>Total Taxes &amp; Insurance</b>	<b>6700T</b>		
Financial Expenses 6800	Interest on Mortgage Payable	6820	4717	\$ -	
	Interest on Capital Improvement Loan	6821		\$ -	
	Interest on Other Mortgages	6825		\$ -	
	Interest on Notes Payable (Long Term)	6830		\$ -	
	Interest on Notes Payable (Short Term)	6840		\$ -	
	Mortgage Insurance Premium/ Services Charges	6850		\$ -	
	Miscellaneous Financial Expenses **	6890		\$ -	
	<b>Total Financial Expenses</b>	<b>6800T</b>			<b>\$ 0</b>
	Elderly & Congregate Services Exp. (attach schedule)	6900		\$ -	<b>\$ 0</b>
	<b>Total Cost of Operations before Depreciation &amp; Int.</b>	<b>6000T</b>			<b>\$ 289,450</b>
	<b>Profit (Loss) before Depreciation &amp; Int.</b>	<b>5060T</b>			<b>\$ 13,479</b>
	Depreciation Expenses	6600		\$ 20,179	
	Amortization Expense	6610		\$ -	
	<b>Total Depreciation &amp; Amortization Expense</b>				<b>\$ 20,179</b>
	<b>Operating Profit (Loss) after Depreciation &amp; Int.</b>	<b>5060N</b>			<b>\$ -8,700</b>
Entry Expenses 7100	Officer's Salaries	7110		\$ -	
	Legal Expenses	7120		\$ -	
	Federal, State, and Other Income Taxes	7130		\$ -	
	Interest Income	7140		\$ -	
	Interest on Notes Payable	7141		\$ -	
	Interest on Mortgage Payable	7142		\$ -	
	Other Expenses	7190		\$ -	
	<b>Net Entry Expenses</b>	<b>7100T</b>			<b>\$ 0</b>
	<b>Net Profit (Loss)</b>	<b>3250</b>			<b>\$ -8,700</b>

\* All amounts must be rounded to the nearest dollar, \$.50 and over, round up, \$.49 and below, round down.

\*\* If miscellaneous or Other Income and Expense Accounts exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the Income or Expense.

Statement of Operations  
 Part II- Principal & Reserve

1. Total principal payments required under the mortgage in the audit year (12 monthly payments). This applies to all direct loans and HUD-held and fully insured mortgages. Any HUD approved second mortgages should be included in the figures.	\$	0
2. Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	\$	0
3. Replacement or Painting Reserve releases which are included as expense items on the Income Statement.	\$	0
4. Project Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Income Statement.	\$	0

Part II- Income & Expense Sub-Accounts

	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Tenant Charges 5920	NSF & Late Charges	5915		\$ 5,759	
	Damages & Cleaning Fees	5930		\$ -	
	Forfeited Tenant Security Deposits	5940		\$ -	
	<b>Tenant Charges</b>	<b>5920</b>			<b>\$ 5,759</b>
Office 6311	Office Supplies	6315	4151	\$ 2,533	
	Telephone and Answering Service	6360		\$ 1,347	
	<b>Office Expenses</b>	<b>6311</b>			<b>\$ 3,880</b>
Payroll 6510	Janitor and Cleaning Payroll	6511		\$ -	
	Grounds Payroll	6535		\$ -	
	Repairs Payroll	6540		\$ 63,500	
	<b>Payroll</b>	<b>6510</b>			<b>\$ 63,500</b>
Supplies 6515	Janitor and Cleaning Supplies	6516		\$ -	
	Exterminating Supplies	6522		\$ -	
	Ground Supplies	6536		\$ -	
	Repairs Material	6541		\$ 23,797	
	Decorating Supplies	6561		\$ -	
	<b>Supplies</b>	<b>6515</b>	<b>4420</b>		
Contracts 6520	Janitor and Cleaning Contracts	6517		\$ -	
	Exterminating Contracts	6519		\$ 425	
	Grounds Contracts	6537		\$ -	
	Repairs Contracts	6542		\$ 15,003	
	Elevator Maintenance Contract	6545		\$ -	
	Swimming Pool Maintenance Contract	6547		\$ -	
	Decorating (Painting) Contract/Payroll	6560		\$ -	
<b>Contracts</b>	<b>6520</b>	<b>4430</b>			<b>\$ 15,428</b>
Misc. 6790	Miscellaneous Taxes, Licenses, Permits	6719		\$ -	
	<b>Other Insurance</b>	<b>6729</b>		<b>\$ 1,484</b>	
	<b>Miscellaneous Taxes, Permits &amp; Insurance</b>	<b>6790</b>			<b>\$ 1,484</b>

\*\*\* Owner to specify account numbers if not provided

**COMPUTATION OF SURPLUS CASH,  
DISTRIBUTIONS, AND RESIDUAL RECEIPTS**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-51A (Rev. 12/2014)

Project Name: <u>John F. Kennedy Heights II</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>90107D</u>	Beginning Date: <u>April 1, 2019</u>
HUD Number: _____	Mortgagor: <u>Norwich Housing Authority</u>

**Part A - COMPUTE SURPLUS CASH**

<b>CASH</b>	1. Cash (Accounts 1110, 1120, 1191, 1192)	\$ 110,704	
	2. Tenant Subsidy vouchers due for period covered by financial statement	\$ 0	
	3. Other (describe)	\$ 0	
	<b>(A) Total Cash (Add Lines 1, 2, and 3)</b>		<b>\$ 110,704</b>
<b>CURRENT OBLIGATIONS</b>	4. Accrued mortgage interest payable	\$ 0	
	5. Delinquent mortgage principal payments	\$ 0	
	6. Delinquent deposits to reserve for replacements	\$ 0	
	7. Accounts payable (due within 30 days)	\$ 0	
	8. Loans and notes payable (due within 30 days, if allowed under CHFA loan documents)	\$ 0	
	9. Deficient Tax Insurance or MIP Escrow Deposits	\$ 0	
	10. Accrued expenses (not escrowed)	\$ 5,592	
	11. Prepaid Rents (Account 2210)	\$ 3,069	
	12. Tenant security deposits liability (Account 2191)	\$ 17,698	
	13. Other (Describe)	\$ 0	
	<b>(B) Less: Total Current Obligations (Add Lines 4 through 13)</b>		<b>\$ 26,359</b>
	<b>(C) Surplus Cash (Deficiency)(Line (A) minus Line (B))</b>		<b>\$ 84,345</b>

**Part B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS**

	1a. Surplus Cash (From Line (C))		\$ 84,345
	1b. Less: Additional Interest Due CHFA, if applicable		\$ 0
	1c. Surplus Cash Available for Distribution		\$ 84,345
<b>LIMITED DIVIDEND PROJECTS</b>	2a. Annual Distribution Earned During Fiscal Period Covered by Statement	\$ 0	
	2b. Distribution Accrued and Unpaid as of the End of the Fiscal Period	\$ 0	
	2c. Distributions Paid During Fiscal Period Covered by Statement	\$ 0	
	3. Amount to be Carried on Balance Sheet as Distribution Earned but Unpaid (Line 2a plus 2b minus 2c)	\$ 0	
	4. Amount Available for Distribution During Next Fiscal Period		\$ 0
	5. Deposits Due Residual Receipts (Must be deposited with Mortgage within 60 days after Fiscal Period ends)		\$ 0

**COMPUTATION OF  
NET OPERATING INCOME**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-52 (Rev. 12/2014)

Project Name: <u>John F. Kennedy Heights II</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>90107D</u>	Beginning Date: <u>April 1, 2019</u>
HUD Number: _____	Mortgagor: <u>Norwich Housing Authority</u>

**Part I - COMPUTE NET OPERATING INCOME (Source HM 6-50 "Statement of Operations")**

	Account #	
A. Profit (Loss) before Depreciation	5060T	\$ <u>13,479</u>
B. Less: Revenue from Investments - Residual Receipts	5430	\$ <u>-</u>
C. Less: Revenue from Investments - Replacement Reserves	5440	\$ <u>-</u>
D. Less: Revenue from Investments - Miscellaneous (Restricted Accounts Only)	5490	\$ <u>-</u>
E. Plus: Total Financial Expenses	6800T	\$ <u>-</u>
F. Less: Replacement Reserve Deposits	Part II #2	\$ <u>-</u>
<b>G. Net Operating Income (NOI)</b>		<b>\$ <u>13,479</u></b>

**Part II - IDENTIFY SPECIAL FINANCIAL CONDITIONS FOR ADJUSTMENT**

**A. Replacement Reserves**

1) Disbursements from replacement reserve during period covered by the statement \$ \_\_\_\_\_

a) Plus: Pending requests at year-end for the release of funds from the replacement reserve to cover items either expensed or capitalized during the period covered by the statement \$ \_\_\_\_\_

b) Less: Total of funds received from replacement reserve during the period covered by the statement that were expensed or capitalized in prior years \$ \_\_\_\_\_

c) Less: Amount capitalized as increases in fixed assets during the period covered by the statement \$ \_\_\_\_\_

d) Total disbursements from the replacement reserve included as expenses on HM 6-50 \$ \_\_\_\_\_

2) Are there any extraordinary or one-time sources of income and/or expense(s) that are included on the Statement of Operations? (e.g.: Proceeds from Insurance claim not received in the same period as the loss) YES  NO

3) If YES, explain reason(s) and amount(s) below:

	\$ _____
	\$ _____
	\$ _____
	\$ _____

TOTAL Extraordinary or one-time income / expense(s) \$ \_\_\_\_\_

**B. Other Restricted Reserves**

1) Have all disbursements from other restricted reserve accounts (Operating Reserve, Residual Receipts, etc.) been capitalized as increases on the Schedule of Fixed Assets? YES  NO  N/A

2) If NO, what is the amount of other restricted reserve account releases that are represented as expenditures on the Statement of Operations? Explain reason(s) and amount(s) below.

	\$ _____
	\$ _____

\$ \_\_\_\_\_

**C. Interest Reduction Payments (HUD Section 236 developments only)**

1) Are Interest Reduction Payments (IRP) from HUD Section 236 contracts shown as Income in Account #5945 and included in the expense line item Interest on Mortgage Payable in Account #6820? YES  NO  N/A

2) If NO, what is the annual amount of the IRP paid to CHFA by HUD on the development's behalf not included as income in Account #5945? \$ \_\_\_\_\_

**Part III - ADJUSTED NET OPERATING INCOME FROM PART II**

	Source	
Net Operating Income	Part I - G	\$ <u>13,479</u>
Plus: Replacement Reserve releases included as expenses in Statement of Operations	Part II - A1	\$ <u>-</u>
Less/Plus: Extraordinary or one-time income / expense(s)	Part II - A3	\$ <u>-</u>
Plus: Other Restricted Reserve Accounts	Part II - B2	\$ <u>-</u>
Plus: Interest Reduction Payments	Part II - C2	\$ <u>-</u>
<b>Equals: Adjusted Net Operating Income (NOI)</b>		<b>\$ <u>13,479</u></b>

**STATEMENT OF OPERATIONS**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-50 (Rev. 12/2017--Effective FYE 12/31/2017)

Project Name: <u>Melrose / Sunset / JFK Heights I / Hillside Terrace</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>85139D / 85139Z / 85138D / 85138Z</u>	Beginning Date: <u>April 1, 2019</u>
HUD Number: _____	Mortgagor: <u>Norwich Housing Authority</u>

Part I P&L	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Rental Income 5100	Rent Revenue- Gross Potential (Tenant's Portion)	5120	3100	\$ 1,430,194	
	Rental Income-Excess of Base	5120.1	3100.1	\$ 393,452	
	Tenant Assistance Payments (HAP Receipts)	5121		\$ 566,942	
	Tenant Assistance Payments (RAP Receipts)	5121.1	2811	\$ -	
	Tenant Assistance Payments (ERAP Receipts)	5121.2		\$ -	
	Tenant Assistance Payments - Congregate	5121.3		\$ -	
	Rent Revenue- Stores & Commercial	5140		\$ -	
	Rent Revenue- Garage & Parking	5170	3300	\$ -	
	Flexible Subsidy Revenue	5180		\$ -	
	Miscellaneous Rent Revenue**	5190	3120 & 3300	\$ -	
	Excess Rent	5191	3100.1	\$ -	
	Excess Utilities	5191.1	3110	\$ -	
	Rent Revenue- Insurance	5192		\$ -	
	Special Claims Revenue	5193	3220	\$ -	
	Retained Excess Income	5194		\$ -	
<b>Total Rent Revenue (GPI @ 100% Occupancy)</b>	<b>5100T</b>			<b>\$ 2,390,588</b>	
Vacancies 5200	Apartments- Vacancy	5220	3210	\$ 85,510	
	Stores & Commercial- Vacancy	5240		\$ -	
	Rental Concessions	5250		\$ -	
	Garage & Parking- Vacancy	5270		\$ -	
	Miscellaneous** (other vacancy)	5290		\$ -	
	<b>Total Vacancies</b>	<b>5200T</b>			<b>\$ 85,510</b>
	<b>Net Rental Revenue Rent Revenue Less Vacancy</b>	<b>5125N</b>		<b>\$ 2,305,078</b>	
	<b>Otherly &amp; Congregate Service Income (attach schedule)</b>	<b>5300</b>		<b>\$ 0</b>	
Financial Revenue 5400	Financial Revenue - Project Operations	5410	3610	\$ 22,558	
	Revenue from Investments - Residual Receipts	5430		\$ -	
	Revenue from Investments - Replacement Reserves	5440		\$ -	
	Revenue from Investments - Miscellaneous **	5490		\$ -	
<b>Total Financial Revenue</b>	<b>5400T</b>			<b>\$ 22,558</b>	
Other Revenue 5900	Laundry & Vending Revenue	5910	3620	\$ -	
	Tenant Charges	5920		\$ 54,882	
	Sales & Service to Tenants (including Cable TV fees)	5943	3510	\$ -	
	Interest Reduction Payments	5945		\$ -	
	Grant Income - Capital Grant - Unrestricted	5980		\$ -	
	Grant Income - Capital Grant - Temporarily Restricted	5981		\$ -	
	Miscellaneous Revenue (Specify) **	5990	6100	\$ 3,600	
	<b>Total Other Revenue</b>	<b>5900T</b>			<b>\$ 58,462</b>
	<b>Total Revenue</b>	<b>5000T</b>		<b>\$ 2,386,098</b>	
Administrative Expenses 6200/6300	Conventions & Meetings	6203	4153	\$ 3,409	
	Management Consultants	6204		\$ -	
	Advertising & Marketing	6210		\$ 2,908	
	Apartment Resale Expenses (Coops)	6235		\$ -	
	Other Renting Expenses	6250	4152	\$ -	
	Office Salaries	6310	4120	\$ 215,207	
	Salaries - RSC	6310.1		\$ -	
	Office Expenses	6311		\$ 29,420	
	Office or Model Apartment Rent	6312		\$ -	
	Compensated Absences - Administrative Salaries	6313	4120.1	\$ -	
	Management Fee	6320	4132	\$ -	
	Manager or Superintendent Salaries	6330		\$ -	
	Administrative Rent Free Unit	6331		\$ -	
	Legal Expense (Project)	6340	4130	\$ 27,239	
	Audit Expense	6350		\$ 3,240	
	Bookkeeping Fees/Accounting Services	6351	4131	\$ 4,875	
	Bad Debts	6370	4820	\$ 27,942	
	State Service Charge - Administrative	6380	4716	\$ -	
Miscellaneous Administrative Expenses **	6390		\$ 16,711		
<b>Total Administrative Expenses</b>	<b>6263T</b>			<b>\$ 331,951</b>	

Statement of Operations  
Part I-Cont.

	Description of Account	HUD Acct. #	S-F Acct. #	Amount*	
Utilities Expenses 6400	Fuel Oil/Coal	6420	4340	\$ -	
	Electricity	6450	4320	\$ 4,945	
	Water	6451	4310	\$ 142,373	
	Gas	6452	4330	\$ 20,406	
	Sewer	6453	4360	\$ -	
	Cable Television	6454	4350	\$ -	
	<b>Total Utilities Expenses</b>	<b>6400T</b>			\$ 167,724
Operating & Maintenance Expenses 6500	Payroll	6510	4410	\$ 374,501	
	Compensated Absences - Maintenance Wages	6510.1	4410.1	\$ -	
	Supplies	6515	4420	\$ 229,144	
	Contracts	6520	4430	\$ 135,638	
	Operating & Maintenance Rent Free Unit	6521		\$ -	
	Garbage & Trash Removal	6525	4710	\$ -	
	Security Payroll/Contracts	6530		\$ -	
	Security Rent Free Unit	6531		\$ -	
	Heating/Cooling Repairs & Maintenance	6546		\$ 38,033	
	Snow Removal	6548		\$ -	
	Vehicle & Maintenance Equip. Operation & Repair	6570	4440	\$ 3,738	
	Miscellaneous Operating & Maintenance **	6590	6200	\$ 167,515	
	<b>Total Operating &amp; Maintenance Expenses</b>	<b>6500T</b>			\$ 948,569
Taxes & Insurance 6700	Real Estate Tax	6710	4715	\$ -	
	Payroll Taxes (project share)	6711	4181	\$ 47,190	
	Property & Liability Insurance	6720	4711	\$ 54,291	
	Fidelity Bond Insurance	6721		\$ 790	
	Workmen's Compensation	6722		\$ 23,705	
	Health Insurance & Other Employee Benefits	6723	4160	\$ 472,992	
	Pension Expense	6724		\$ (70,435)	
	Other Post-Employment Benefits Expense	6725		\$ -	
	Misc. Taxes, Licenses, Permits & Insurance **	6790		\$ 10,419	
	<b>Total Taxes &amp; Insurance</b>	<b>6700T</b>			\$ 538,960
Financial Expenses 6800	Interest on Mortgage Payable	6820	4717	\$ -	
	Interest on Capital Improvement Loan	6821		\$ -	
	Interest on Other Mortgages	6825		\$ -	
	Interest on Notes Payable (Long Term)	6830		\$ -	
	Interest on Notes Payable (Short Term)	6840		\$ -	
	Mortgage Insurance Premium/Services Charges	6850		\$ -	
	Miscellaneous Financial Expenses **	6890		\$ -	
	<b>Total Financial Expenses</b>	<b>6800T</b>			\$ 0
	<b>Elderly &amp; Congregate Services Exp. (attach schedule)</b>	<b>6900</b>		\$ 0	
	<b>Total Cost of Operations before Depreciation &amp; Int.</b>	<b>6000T</b>		\$ 1,987,204	
	<b>Profit (Loss) before Depreciation &amp; Int.</b>	<b>6060T</b>		\$ 398,894	
	Depreciation Expenses	6600		\$ 646,111	
	Amortization Expense	6610		\$ -	
	<b>Total Depreciation &amp; Amortization Expense</b>			\$ 646,111	
	<b>Operating Profit (Loss) after Depreciation &amp; Int.</b>	<b>5060N</b>		\$ -247,217	
Entity Expenses 7100	Officer's Salaries	7110		\$ -	
	Legal Expenses	7120		\$ -	
	Federal, State, and Other Income Taxes	7130		\$ -	
	Interest Income	7140		\$ -	
	Interest on Notes Payable	7141		\$ -	
	Interest on Mortgage Payable	7142		\$ -	
	Other Expenses	7190		\$ -	
	<b>Net Entity Expenses</b>	<b>7100T</b>			\$ 0
	<b>Net Profit (Loss)</b>	<b>3250</b>		\$ -247,217	

\* All amounts must be rounded to the nearest dollar, \$.50 and over, round up, \$.49 and below, round down.  
\*\* If miscellaneous or Other Income and Expense Accounts exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the Income or Expense.

Statement of Operations

Part 7- Principal & Reserve

1	Total principal payments required under the mortgage in the audit year (12 monthly payments). This applies to all direct loans and HUD-held and fully insured mortgages. Any HUD approved second mortgages should be included in the figures.	\$	0
2	Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	\$	0
3	Replacement or Painting Reserve releases which are included as expense items on the Income Statement.	\$	0
4	Project Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Income Statement	\$	0

Part 8- Income & Expense Sub-Accounts

	Description of Account	HUD Acct. #	SI-P Acct. #	Amount*	
Tenant Charges 5920	NSF & Late Charges	5915		\$ 53,972	
	Damages & Cleaning Fees	5930		\$ -	
	Forfeited Tenant Security Deposits	5940		\$ 890	
	<b>Tenant Charges</b>	5920			\$ 54,862
Office 6311	Office Supplies	6315	4151	\$ 19,966	
	Telephone and Answering Service	6360		\$ 9,454	
	<b>Office Expenses</b>	6311			\$ 29,420
Payroll 6510	Janitor and Cleaning Payroll	6511		\$ -	
	Grounds Payroll	6535		\$ -	
	Repairs Payroll	6540		\$ 374,501	
	<b>Payroll</b>	6510			\$ 374,501
Supplies 6515	Janitor and Cleaning Supplies	6516		\$ -	
	Exterminating Supplies	6522		\$ -	
	Ground Supplies	6536		\$ -	
	Repairs Material	6541		\$ 229,144	
	Decorating Supplies	6561		\$ -	
	<b>Supplies</b>	6515	4420		\$ 229,144
Contracts 6520	Janitor and Cleaning Contracts	6517		\$ -	
	Exterminating Contracts	6519		\$ 6,750	
	Grounds Contracts	6537		\$ 12,225	
	Repairs Contracts	6542		\$ 116,663	
	Elevator Maintenance Contract	6545		\$ -	
	Swimming Pool Maintenance Contract	6547		\$ -	
	Decorating (Painting) Contract/Payroll	6560		\$ -	
<b>Contracts</b>	6520	4430		\$ 135,638	
Misc. 6790	Miscellaneous Taxes, Licenses, Permits	6719		\$ -	
	Other Insurance	6729		\$ 10,419	
	<b>Miscellaneous Taxes, Permits &amp; Insurance</b>	6790			\$ 10,419

\* Owner to specify account numbers if not provided

**COMPUTATION OF SURPLUS CASH,  
DISTRIBUTIONS, AND RESIDUAL RECEIPTS**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-51A (Rev. 12/2014)

Project Name: <u>Melrose / Sunset / JFK Heights I / Hillside Terrace</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>85139D / 85139Z / 85138D / 85138Z</u>	Beginning Date: <u>April 1, 2019</u>
HUD Number: _____	Mortgagor: <u>Norwich Housing Authority</u>

**Part A - COMPUTE SURPLUS CASH**

CASH	1. Cash (Accounts 1110, 1120, 1191, 1192)	\$ 693,319	
	2. Tenant Subsidy vouchers due for period covered by financial statement	\$ 0	
	3. Other (describe)	\$ 0	
	(A) Total Cash (Add Lines 1, 2, and 3)		\$ 693,319
CURRENT OBLIGATIONS	4. Accrued mortgage interest payable	\$ 0	
	5. Delinquent mortgage principal payments	\$ 0	
	6. Delinquent deposits to reserve for replacements	\$ 0	
	7. Accounts payable (due within 30 days)	\$ 0	
	8. Loans and notes payable (due within 30 days, if allowed under CHFA loan documents)	\$ 0	
	9. Deficient Tax Insurance or MIP Escrow Deposits	\$ 0	
	10. Accrued expenses (not escrowed)	\$ 43,082	
	11. Prepaid Rents (Account 2210)	\$ 10,169	
	12. Tenant security deposits liability (Account 2191)	\$ 140,645	
	13. Other (Describe)	\$ 0	
	(B) Less: Total Current Obligations (Add Lines 4 through 13)		\$ 193,896
	(C) Surplus Cash (Deficiency)(Line (A) minus Line (B))		\$ 499,423

**Part B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS**

	1a. Surplus Cash (From Line (C))		\$ 499,423
	1b. Less: Additional Interest Due CHFA, if applicable		\$ 0
	1c. Surplus Cash Available for Distribution		\$ 499,423
LIMITED DIVIDEND PROJECTS	2a. Annual Distribution Earned During Fiscal Period Covered by Statement	\$ 0	
	2b. Distribution Accrued and Unpaid as of the End of the Fiscal Period	\$ 0	
	2c. Distributions Paid During Fiscal Period Covered by Statement	\$ 0	
	3. Amount to be Carried on Balance Sheet as Distribution Earned but Unpaid (Line 2a plus 2b minus 2c)	\$ 0	
	4. Amount Available for Distribution During Next Fiscal Period		\$ 0
	5. Deposits Due Residual Receipts (Must be deposited with Mortgagee within 60 days after Fiscal Period ends)		\$ 0

**COMPUTATION OF  
NET OPERATING INCOME**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-52 (Rev 12/2014)

Project Name: Metrose / Sunset / JFK Heights I / Hillside Terrace Fiscal Year-End: March 31, 2020  
 CHFA Number: 85139D; 85138Z / 85138D; 85138Z Beginning Date: April 1, 2019  
 HUD Number: \_\_\_\_\_ Mortgagor: Norwich Housing Authority

**Part I - COMPUTE NET OPERATING INCOME (Source HM 6-50 "Statement of Operations")**

	Account #	
A. Profit (Loss) before Depreciation	5060T	\$ 398,894
B. Loss: Revenue from Investments - Residual Receipts	5430	\$ -
C. Loss: Revenue from Investments - Replacement Reserves	5440	\$ -
D. Loss: Revenue from Investments - Miscellaneous (Restricted Accounts Only)	5490	\$ -
E. Plus: Total Financial Expenses	6800T	\$ -
F. Loss: Replacement Reserve Deposits	Part II #2	\$ -
G. Net Operating Income (NOI)		\$ 398,894

**Part II - IDENTIFY SPECIAL FINANCIAL CONDITIONS FOR ADJUSTMENT**

**A. Replacement Reserves**

1) Disbursements from replacement reserve during period covered by the statement \$ -

a) Plus: Pending requests at year-end for the release of funds from the replacement reserve to cover items either expensed or capitalized during the period covered by the statement \$ -

b) Loss: Total of funds received from replacement reserve during the period covered by the statement that were expensed or capitalized in prior years \$ -

c) Loss: Amount capitalized as increases in fixed assets during the period covered by the statement \$ -

d) Total disbursements from the replacement reserve included as expenses on HM 6-50 \$ -

2) Are there any extraordinary or one-time sources of income and/or expense(s) that are included on the Statement of Operations? (e.g.: Proceeds from insurance claim not received in the same period as the loss) YES NO

3) If YES, explain reason(s) and amount(s) below:

DOH Flex Funds	\$ (3,600)
_____	\$ -
_____	\$ -
_____	\$ -
TOTAL Extraordinary or one-time income / expense(s)	\$ (3,600)

**B. Other Restricted Reserves**

1) Have all disbursements from other restricted reserve accounts (Operating Reserve, Residual Receipts, etc.) been capitalized as increases on the Schedule of Fixed Assets? YES NO N/A

2) If NO, what is the amount of other restricted reserve account releases that are represented as expenditures on the Statement of Operations? Explain reason(s) and amount(s) below:

_____	\$ -
_____	\$ -
	\$ -

**C. Interest Reduction Payments (HUD Section 236 developments only)**

1) Are Interest Reduction Payments (IRP) from HUD Section 236 contracts shown as income in Account #5945 and included in the expense line item Interest on Mortgage Payable in Account #6920? YES NO N/A

2) If NO, what is the annual amount of the IRP paid to CHFA by HUD on the development's behalf not included as income in Account #5945? \$ -

**Part III - ADJUSTED NET OPERATING INCOME FROM PART II**

	Source	
Net Operating Income	Part I - G	\$ 398,894
Plus: Replacement Reserve releases included as expenses in Statement of Operations	Part II - A1	\$ -
Less/Plus: Extraordinary or one-time income / expense(s)	Part II - A3	\$ (3,600)
Plus: Other Restricted Reserve Accounts	Part II - B2	\$ -
Plus: Interest Reduction Payments	Part II - C2	\$ -
Equals: Adjusted Net Operating Income (NOI)		\$ 395,294

**STATEMENT OF OPERATIONS**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-50 (Rev. 12/2017--Effective FYE 12/31/2017)

Project Name:	Eastwood Court	Fiscal Year-End:	March 31, 2020
CHFA Number:	B5141D	Beginning Date:	April 1, 2019
HUD Number:		Mortgagor:	Norwich Housing Authority

Part I- P&L	Description of Account	HUD Acct. #	SHP Acct. #	Amount*
	Rent Revenue- Gross Potential (Tenant's Portion)	5120	3100	\$ 80,383
	Rental Income-Excess of Base	5120.1	3100.1	\$ 12,450
	Tenant Assistance Payments (HAP Receipts)	5121		\$ 35,128
	Tenant Assistance Payments (RAP Receipts)	5121.1	2811	\$ -
	Tenant Assistance Payments (ERAP Receipts)	5121.2		\$ 10,710
	Tenant Assistance Payments - Congregate	5121.3		\$ -
	Rent Revenue- Stores & Commercial	5140		\$ -
Rental	Rent Revenue- Garage & Parking	5170	3300	\$ -
Income	Flexible Subsidy Revenue	5180		\$ -
5100	Miscellaneous Rent Revenue**	5190	3120 & 3300	\$ -
	Excess Rent	5191	3100.1	\$ -
	Excess Utilities	5191.1	3110	\$ 6,491
	Rent Revenue- Insurance	5192		\$ -
	Special Claims Revenue	5193	3220	\$ -
	Retained Excess Income	5194		\$ -
	<b>Total Rent Revenue (GPI @ 100% Occupancy)</b>	<b>5100T</b>		<b>\$ 154,162</b>
	Apartments- Vacancy	5220	3210	\$ 9,809
	Stores & Commercial- Vacancy	5240		\$ -
Vacancies	Rental Concessions	5250		\$ -
6200	Garage & Parking- Vacancy	5270		\$ -
	Miscellaneous** (other vacancy)	5290		\$ -
	<b>Total Vacancies</b>	<b>5200T</b>		<b>\$ 9,809</b>
	<b>Net Rental Revenue Rent Revenue Less Vacancy</b>	<b>5125N</b>		<b>\$ 144,353</b>
	Elderly & Congregate Service Income (attach schedule)	5300		\$ 0
	Financial Revenue - Project Operations	5410	3610	\$ 2,051
Financial	Revenue from Investments - Residual Receipts	5430		\$ -
Revenue	Revenue from Investments - Replacement Reserves	5440		\$ -
5400	Revenue from Investments - Miscellaneous **	5490		\$ -
	<b>Total Financial Revenue</b>	<b>5400T</b>		<b>\$ 2,051</b>
	Laundry & Vending Revenue	5910	3620	\$ 889
	Tenant Charges	5920		\$ 2,343
Other	Sales & Service to Tenants (including Cable TV fees)	5943	3510	\$ -
Revenue	Interest Reduction Payments	5945		\$ -
5900	Grant Income - Capital Grant - Unrestricted	5980		\$ 429,390
	Grant Income - Capital Grant - Temporarily Restricted	5981		\$ -
	Miscellaneous Revenue (Specify) **	5990	6100	\$ 14,710
	<b>Energy Rebates \$9,266, RSC Grant \$5,444</b>			
	<b>Total Other Revenue</b>	<b>5900T</b>		<b>\$ 447,332</b>
	<b>Total Revenue</b>	<b>5000T</b>		<b>\$ 593,736</b>
	Conventions & Meetings	6203	4153	\$ 216
	Management Consultants	6204		\$ -
	Advertising & Marketing	6210		\$ 279
	Apartment Resale Expenses (Coops)	6235		\$ -
	Other Renting Expenses	6250	4152	\$ -
	Office Salaries	6310	4120	\$ 17,265
	Salaries - RSC	6310.1		\$ 6,367
Administrative	Office Expenses	6311		\$ 5,518
Expenses	Office or Model Apartment Rent	6312		\$ -
6200/6300	Compensated Absences - Administrative Salaries	6313	4120.1	\$ -
	Management Fee	6320	4132	\$ -
	Manager or Superintendent Salaries	6330		\$ -
	Administrative Rent Free Unit	6331		\$ -
	Legal Expense (Project)	6340	4130	\$ 1,154
	Audit Expense	6350		\$ 270
	Bookkeeping Fees/Accounting Services	6351	4131	\$ 311
	Bad Debts	6370	4820	\$ 1,318
	State Service Charge - Administrative	6380	4716	\$ -
	Miscellaneous Administrative Expenses **	6390		\$ 3,060
	<b>Total Administrative Expenses</b>	<b>6263T</b>		<b>\$ 35,758</b>

Statement of Operations

Part I- Cont.

	Description of Account	HJD Acct. #	SHP Acct. #	Amount*		
Utilities Expenses 6400	Fuel Oil/ Coal	6420	4340	\$ -		
	Electricity	6450	4320	\$ 2,468		
	Water	6451	4310	\$ 3,562		
	Gas	6452	4330	\$ -		
	Sewer	6453	4360	\$ -		
	Cable Television	6454	4350	\$ 6,381		
	<b>Total Utilities Expense</b>	<b>6400T</b>				<b>\$ 12,411</b>
Operating & Maintenance Expenses 6500	Payroll	6510	4410	\$ 13,370		
	Compensated Absences - Maintenance Wages	6510 1	4410.1	\$ -		
	Supplies	6515	4420	\$ 2,209		
	Contracts	6520	4430	\$ 8,216		
	Operating & Maintenance Rent Free Unit	6521		\$ -		
	Garbage & Trash Removal	6525	4710	\$ 3,207		
	Security Payroll/ Contracts	6530		\$ -		
	Security Rent Free Unit	6531		\$ -		
	Heating/Cooling Repairs & Maintenance	6546		\$ 962		
	Snow Removal	6548		\$ -		
	Vehicle & Maintenance Equip. Operation & Repair	6570	4440	\$ 935		
	Miscellaneous Operating & Maintenance **	6590	6200	\$ 5,439		
	<b>Total Operating &amp; Maintenance Expenses</b>	<b>6500T</b>				<b>\$ 34,338</b>
Taxes & Insurance 6700	Real Estate Tax	6710	4715	\$ 12,779		
	Payroll Taxes (project share)	6711	4161	\$ 2,431		
	Property & Liability Insurance	6720	4711	\$ 4,061		
	Fidelity Bond Insurance	6721		\$ 42		
	Workmen's Compensation	6722		\$ 1,103		
	Health Insurance & Other Employee Benefits	6723	4160	\$ 16,948		
	Pension Expense	6724		\$ 2,791		
	Other Post-Employment Benefits Expense	6725		\$ -		
	Misc. Taxes, Licenses, Permits & Insurance **	6790		\$ 389		
	<b>Total Taxes &amp; Insurance</b>	<b>6700T</b>				<b>\$ 40,544</b>
Financial Expenses 6800	Interest on Mortgage Payable	6820	4717	\$ -		
	Interest on Capital Improvement Loan	6821		\$ -		
	Interest on Other Mortgages	6825		\$ -		
	Interest on Notes Payable (Long Term)	6830		\$ -		
	Interest on Notes Payable (Short Term)	6840		\$ -		
	Mortgage Insurance Premium/ Services Charges	6850		\$ -		
	Miscellaneous Financial Expenses **	6890		\$ -		
<b>Total Financial Expenses</b>	<b>6800T</b>				<b>\$ 0</b>	
	Elderly & Congregate Services Exp. (attach schedule)	6900		\$ 0		
	<b>Total Cost of Operations before Depreciation &amp; Int.</b>	<b>6000T</b>			<b>\$ 123,051</b>	
	<b>Profit (Loss) before Depreciation &amp; Int.</b>	<b>5060T</b>				<b>\$ 470,685</b>
	Depreciation Expenses	6600		\$ 24,042		
	Amortization Expense	6610		\$ -		
	<b>Total Depreciation &amp; Amortization Expense</b>					<b>\$ 24,042</b>
	<b>Operating Profit (Loss) after Depreciation &amp; Int.</b>	<b>5060N</b>			<b>\$ 446,643</b>	
Entity Expenses 7100	Officer's Salaries	7110		\$ -		
	Legal Expenses	7120		\$ -		
	Federal, State, and Other Income Taxes	7130		\$ -		
	Interest Income	7140		\$ -		
	Interest on Notes Payable	7141		\$ -		
	Interest on Mortgage Payable	7142		\$ -		
	Other Expenses	7190		\$ -		
	<b>Net Entity Expenses</b>	<b>7100T</b>				<b>\$ 0</b>
	<b>Net Profit (Loss)</b>	<b>3250</b>			<b>\$ 446,643</b>	

\* All amounts must be rounded to the nearest dollar, \$.50 and over, round up, \$.49 and below, round down.

\*\* If miscellaneous or Other Income and Expense Accounts exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the Income or Expense.

Statement of Operations  
 Part II- Principal & Reserve

1 Total principal payments required under the mortgage in the audit year (12 monthly payments). This applies to all direct loans and HUD-held and fully insured mortgages. Any HUD approved second mortgages should be included in the figures.	\$	0
2 Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	\$	0
3 Replacement or Painting Reserve releases which are included as expense items on the Income Statement.	\$	0
4 Project Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Income Statement.	\$	0

Part III- Income & Expense Sub-Accounts

	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Tenant Charges 5920	NSF & Late Charges	5915		\$ 2,343	
	Damages & Cleaning Fees	5930		\$ -	
	Forfeited Tenant Security Deposits	5940		\$ -	
	<b>Tenant Charges</b>	5920		\$ 2,343	
Office 6311	Office Supplies	6315	4151	\$ 1,172	
	Telephone and Answering Service	6360		\$ 4,346	
	<b>Office Expenses</b>	6311		\$ 5,518	
Payroll 6510	Janitor and Cleaning Payroll	6511		\$ -	
	Grounds Payroll	6535		\$ -	
	Repairs Payroll	6540		\$ 13,370	
	<b>Payroll</b>	6510		\$ 13,370	
Supplies 6515	Janitor and Cleaning Supplies	6516		\$ -	
	Exterminating Supplies	6522		\$ -	
	Ground Supplies	6536		\$ -	
	Repairs Material	6541		\$ 2,209	
	Decorating Supplies	6561		\$ -	
	<b>Supplies</b>	6515	4420	\$ 2,209	
Contracts 6520	Janitor and Cleaning Contracts	6517		\$ -	
	Exterminating Contracts	6519		\$ 3,515	
	Grounds Contracts	6537		\$ -	
	Repairs Contracts	6542		\$ 4,701	
	Elevator Maintenance Contract	6545		\$ -	
	Swimming Pool Maintenance Contract	6547		\$ -	
	Decorating (Painting) Contract/Payroll	6560		\$ -	
	<b>Contracts</b>	6520	4430	\$ 8,216	
Misc. 6790	Miscellaneous Taxes, Licenses, Permits	6719		\$ -	
	Other Insurance	6729		\$ 389	
	<b>Miscellaneous Taxes, Permits &amp; Insurance</b>	6790		\$ 389	

\*\*\* Owner to specify account numbers if not provided

**COMPUTATION OF SURPLUS CASH,  
DISTRIBUTIONS, AND RESIDUAL RECEIPTS**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-51A (Rev. 12/2014)

Project Name: <u>Eastwood Court</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>85141D</u>	Beginning Date: <u>April 1, 2019</u>
HID Number: _____	Mortgagor: <u>Norwich Housing Authority</u>

**Part A - COMPUTE SURPLUS CASH**

CASH	1. Cash (Accounts 1110, 1120, 1191, 1192)	\$	5,464	
	2. Tenant Subsidy vouchers due for period covered by financial statement	\$	0	
	3. Other (describe)	\$	0	
	(A) Total Cash (Add Lines 1, 2, and 3)			\$ 5,464
CURRENT OBLIGATIONS	4. Accrued mortgage interest payable	\$	0	
	5. Delinquent mortgage principal payments	\$	0	
	6. Delinquent deposits to reserve for replacements	\$	0	
	7. Accounts payable (due within 30 days)	\$	0	
	8. Loans and notes payable (due within 30 days, if allowed under CHFA loan documents)	\$	0	
	9. Deficient Tax Insurance or MIP Escrow Deposits	\$	0	
	10. Accrued expenses (not escrowed)	\$	2,678	
	11. Prepaid Rents (Account 2210)	\$	7,120	
	12. Tenant security deposits liability (Account 2191)	\$	400	
	13. Other (Describe)	\$	0	
	(B) Less: Total Current Obligations (Add Lines 4 through 13)			\$ 10,198
	(C) Surplus Cash (Deficiency)(Line (A) minus Line (B))			\$ (4,734)

**Part B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS**

	1a. Surplus Cash (From Line (C))		\$	(4,734)
	1b. Less: Additional Interest Due CHFA, if applicable		\$	0
	1c. Surplus Cash Available for Distribution		\$	(4,734)
LIMITED DIVIDEND PROJECTS	2a. Annual Distribution Earned During Fiscal Period Covered by Statement	\$	0	
	2b. Distribution Accrued and Unpaid as of the End of the Fiscal Period	\$	0	
	2c. Distributions Paid During Fiscal Period Covered by Statement	\$	0	
	3. Amount to be Carried on Balance Sheet as Distribution Earned but Unpaid (Line 2a plus 2b minus 2c)	\$	0	
	4. Amount Available for Distribution During Next Fiscal Period		\$	0
	5. Deposits Due Residual Receipts (Must be deposited with Mortgagee within 60 days after Fiscal Period ends)		\$	0

**COMPUTATION OF  
NET OPERATING INCOME**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-52 (Rev. 12/2014)

Project Name: <u>Eastwood Court</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>85141D</u>	Beginning Date: <u>April 1, 2019</u>
HUD Number: _____	Mortgagor: <u>New York Housing Authority</u>

**Part I - COMPUTE NET OPERATING INCOME (Source HM 6-50 "Statement of Operations")**

A. Profit (Loss) before Depreciation	Account#		
	5060T	\$	470,685
B. Less: Revenue from Investments - Residual Receipts		\$	-
	5430		
C. Less: Revenue from Investments - Replacement Reserves		\$	-
	5440		
D. Less: Revenue from Investments - Miscellaneous (Restricted Accounts Only)		\$	-
	5490		
E. Plus: Total Financial Expenses		\$	-
	6800T		
F. Less: Replacement Reserve Deposits		\$	-
	Part II #2		
G. Net Operating Income (NOI)		\$	470,685

**Part II - IDENTIFY SPECIAL FINANCIAL CONDITIONS FOR ADJUSTMENT**

**A. Replacement Reserves**

1) Disbursements from replacement reserve during period covered by the statement \$ -

a) Plus: Pending requests at year-end for the release of funds from the replacement reserve to cover items either expensed or capitalized during the period covered by the statement \$ -

b) Less: Total of funds received from replacement reserve during the period covered by the statement that were expensed or capitalized in prior years \$ -

c) Less: Amount capitalized as increases in fixed assets during the period covered by the statement \$ -

d) Total disbursements from the replacement reserve included as expenses on HM 6-50 \$ -

2) Are there any extraordinary or one-time sources of income and/or expense(s) that are included on the Statement of Operations? (e.g.: Proceeds from Insurance claim not received in the same period as the loss) YES  NO

3) If YES, explain reason(s) and amount(s) below:

<u>SSHP Grant</u>	\$	(429,390)	
<u>Energy Rebates</u>	\$	(6,266)	
_____	\$	-	
_____	\$	-	

TOTAL Extraordinary or one-time income / expense(s) \$ (438,656)

**B. Other Restricted Reserves**

1) Have all disbursements from other restricted reserve accounts (Operating Reserve, Residual Receipts, etc.) been capitalized as increases on the Schedule of Fixed Assets? YES  NO  N/A

2) If NO, what is the amount of other restricted reserve account releases that are represented as expenditures on the Statement of Operations? Explain reason(s) and amount(s) below.

\$ -

\$ -

\$ -

**C. Interest Reduction Payments (HUD Section 236 developments only)**

1) Are Interest Reduction Payments (IRP) from HUD Section 236 contracts shown as Income in Account #5945 and included in the expense line item Interest on Mortgage Payable in Account #6820? YES  NO  N/A

2) If NO, what is the annual amount of the IRP paid to CHFA by HUD on the development's behalf not included as income in Account #5945? \$ -

**Part III - ADJUSTED NET OPERATING INCOME FROM PART II**

Net Operating Income	Source		
	Part I - G	\$	470,685
Plus: Replacement Reserve releases included as expenses in Statement of Operations		\$	-
	Part II - A1		
Less/Plus: Extraordinary or one-time income / expense(s)		\$	(438,656)
	Part II - A3		
Plus: Other Restricted Reserve Accounts		\$	-
	Part II - B2		
Plus: Interest Reduction Payments		\$	-
	Part II - C2		
Equals: Adjusted Net Operating Income (NOI)		\$	32,029

**STATEMENT OF OPERATIONS**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-50 (Rev. 12/2017--Effective FYE 12/31/2017)

Project Name: <u>Schwartz / Rosewood</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>85140D / 85142D / 85143D</u>	Beginning Date: <u>April 1, 2019</u>
HUD Number: _____	Mortgagor: <u>Norwich Housing Authority</u>

Part I- P&L	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Rental Income 5100	Rent Revenue- Gross Potential (Tenant's Portion)	5120	3100	\$ 495,745	
	Rental Income-Excess of Base	5120.1	3100.1	\$ 81,615	
	Tenant Assistance Payments (HAP Receipts)	5121		\$ 236,929	
	Tenant Assistance Payments (RAP Receipts)	5121.1	2811	\$ -	
	Tenant Assistance Payments (ERAP Receipts)	5121.2		\$ 86,654	
	Tenant Assistance Payments - Congregate	5121.3		\$ -	
	Rent Revenue- Stores & Commercial	5140		\$ -	
	Rent Revenue- Garage & Parking	5170	3300	\$ -	
	Flexible Subsidy Revenue	5180		\$ -	
	Miscellaneous Rent Revenue**	5190	3120 & 3300	\$ -	
	Excess Rent	5191	3100.1	\$ -	
	Excess Utilities	5191.1	3110	\$ 44,021	
	Rent Revenue- Insurance	5192		\$ -	
	Special Claims Revenue	5193	3220	\$ -	
Retained Excess Income	5194		\$ -		
	<b>Total Rent Revenue (GPI @ 100% Occupancy)</b>	<b>5100T</b>			<b>\$ 944,964</b>
Vacancies 5200	Apartments- Vacancy	5220	3210	\$ 32,111	
	Stores & Commercial- Vacancy	5240		\$ -	
	Rental Concessions	5250		\$ -	
	Garage & Parking- Vacancy	5270		\$ -	
	Miscellaneous** (other vacancy)	5290		\$ -	
		<b>Total Vacancies</b>	<b>5200T</b>		
	<b>Net Rental Revenue Rent Revenue Less Vacancy</b>	<b>5125N</b>			<b>\$ 912,853</b>
	Elderly & Congregate Service Income (attach schedule)	5300		\$ -	<b>\$ 0</b>
Financial Revenue 5400	Financial Revenue - Project Operations	5410	3610	\$ 11,518	
	Revenue from Investments - Residual Receipts	5430		\$ -	
	Revenue from Investments - Replacement Reserves	5440		\$ -	
	Revenue from Investments - Miscellaneous **	5490		\$ -	
		<b>Total Financial Revenue</b>	<b>5400T</b>		
Other Revenue 5900	Laundry & Vending Revenue	5910	3620	\$ 5,108	
	Tenant Charges	5920		\$ 22,940	
	Sales & Service to Tenants (including Cable TV fees)	5943	3510	\$ -	
	Interest Reduction Payments	5945		\$ -	
	Grant Income - Capital Grant - Unrestricted	5980		\$ 939,659	
	Grant Income - Capital Grant - Temporarily Restricted	5981		\$ -	
	Miscellaneous Revenue (Specify) **	5990	6100	\$ 37,522	
		<b>RSC Grant \$37,522</b>			
	<b>Total Other Revenue</b>	<b>5900T</b>			<b>\$ 1,005,229</b>
	<b>Total Revenue</b>	<b>5000T</b>			<b>\$ 1,929,600</b>
Administrative Expenses 6200/6300	Conventions & Meetings	6203	4153	\$ 3,011	
	Management Consultants	6204		\$ -	
	Advertising & Marketing	6210		\$ 2,658	
	Apartment Resale Expenses (Coops)	6235		\$ -	
	Other Renting Expenses	6250	4152	\$ -	
	Office Salaries	6310	4120	\$ 95,374	
	Salaries - RSC	6310.1		\$ 39,111	
	Office Expenses	6311		\$ 11,113	
	Office or Model Apartment Rent	6312		\$ -	
	Compensated Absences - Administrative Salaries	6313	4120.1	\$ -	
	Management Fee	6320	4132	\$ -	
	Manager or Superintendent Salaries	6330		\$ -	
	Administrative Rent Free Unit	6331		\$ -	
	Legal Expense (Project)	6340	4130	\$ 1,597	
	Audit Expense	6350		\$ 1,755	
	Bookkeeping Fees/Accounting Services	6351	4131	\$ 1,988	
	Bad Debts	6370	4820	\$ 859	
	State Service Charge - Administrative	6380	4716	\$ -	
Miscellaneous Administrative Expenses **	6390		\$ 7,088		
	<b>Total Administrative Expenses</b>	<b>6263T</b>			<b>\$ 164,554</b>

Statement of Operations  
Part I - Cont.

	Description of Account	HUD Acct. #	SHP Acct. #	Amount <sup>1</sup>	
Utilities Expenses 6400	Fuel Oil/ Coal	6420	4340	\$ -	
	Electricity	6450	4320	\$ 26,508	
	Water	6451	4310	\$ 25,658	
	Gas	6452	4330	\$ -	
	Sewer	6453	4360	\$ -	
	Cable Television	6454	4350	\$ 39,724	
	<b>Total Utilities Expense</b>	<b>6400T</b>			\$ 91,890
Operating & Maintenance Expenses 6500	Payroll	6510	4410	\$ 80,250	
	Compensated Absences - Maintenance Wages	6510.1	4410.1	\$ -	
	Supplies	6515	4420	\$ 44,191	
	Contracts	6520	4430	\$ 29,021	
	Operating & Maintenance Rent Free Unit	6521		\$ -	
	Garbage & Trash Removal	6525	4710	\$ -	
	Security Payroll/ Contracts	6530		\$ -	
	Security Rent Free Unit	6531		\$ -	
	Heating/Cooling Repairs & Maintenance	6546		\$ 4,410	
	Snow Removal	6548		\$ -	
	Vehicle & Maintenance Equip. Operation & Repair	6570	4440	\$ 1,869	
	Miscellaneous Operating & Maintenance **	6590	6200	\$ 73,314	
	<b>Total Operating &amp; Maintenance Expenses</b>	<b>6500T</b>			\$ 233,055
Taxes & Insurance 6700	Real Estate Tax	6710	4715	\$ 82,071	
	Payroll Taxes (project share)	6711	4181	\$ 14,086	
	Property & Liability Insurance	6720	4711	\$ 30,043	
	Fidelity Bond Insurance	6721		\$ 226	
	Workmen's Compensation	6722		\$ 6,616	
	Health Insurance & Other Employee Benefits	6723	4160	\$ 104,901	
	Pension Expense	6724		\$ 19,178	
	Other Post-Employment Benefits Expense	6725		\$ -	
	Misc. Taxes, Licenses, Permits & Insurance **	6790		\$ 2,329	
	<b>Total Taxes &amp; Insurance</b>	<b>6700T</b>			\$ 259,450
Financial Expenses 6800	Interest on Mortgage Payable	6820	4717	\$ -	
	Interest on Capital Improvement Loan	6821		\$ -	
	Interest on Other Mortgages	6825		\$ -	
	Interest on Notes Payable (Long Term)	6830		\$ -	
	Interest on Notes Payable (Short Term)	6840		\$ -	
	Mortgage Insurance Premium/ Services Charges	6850		\$ -	
	Miscellaneous Financial Expenses **	6890		\$ -	
	<b>Total Financial Expenses</b>	<b>6800T</b>			\$ 0
	<b>Elderly &amp; Congregate Services Exp. (attach schedule)</b>	<b>6900</b>			\$ 0
	<b>Total Cost of Operations before Depreciation &amp; Int.</b>	<b>6000T</b>			\$ 748,949
	<b>Profit (Loss) before Depreciation &amp; Int.</b>	<b>5060T</b>			\$ 1,180,651
	Depreciation Expenses	6600		\$ 246,795	
	Amortization Expense	6610		\$ -	
	<b>Total Depreciation &amp; Amortization Expense</b>				\$ 246,795
	<b>Operating Profit (Loss) after Depreciation &amp; Int.</b>	<b>5060N</b>			\$ 933,856
Entity Expenses 7100	Officer's Salaries	7110		\$ -	
	Legal Expenses	7120		\$ -	
	Federal, State, and Other Income Taxes	7130		\$ -	
	Interest Income	7140		\$ -	
	Interest on Notes Payable	7141		\$ -	
	Interest on Mortgage Payable	7142		\$ -	
	Other Expenses	7190		\$ -	
	<b>Net Entity Expenses</b>	<b>7100T</b>			\$ 0
	<b>Net Profit (Loss)</b>	<b>3250</b>			\$ 933,856

<sup>1</sup> All amounts must be rounded to the nearest dollar, \$.50 and over, round up, \$.49 and below, round down.

\*\* If miscellaneous or Other Income and Expense Accounts exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the Income or Expense.

Statement of Operations  
Part II- Principal & Reserve

1	Total principal payments required under the mortgage in the audit year (12 monthly payments). This applies to all direct loans and HUD-held and fully insured mortgages. Any HUD approved second mortgages should be included in the figures.	\$	0
2	Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	\$	0
3	Replacement or Painting Reserve releases which are included as expense items on the Income Statement.	\$	0
4	Project Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Income Statement.	\$	0

Part III- Income & Expense Sub-Accounts

Tenant	Description of Account	HUD Acct. #	SHP Acct. #	Amount*
Charges 5920	NSF & Late Charges	5915		\$ 22,940
	Damages & Cleaning Fees	5930		\$ -
	Forfeited Tenant Security Deposits	5940		\$ -
	<b>Tenant Charges</b>	5920		<b>\$ 22,940</b>
Office 6311	Office Supplies	6315	4151	\$ 6,600
	Telephone and Answering Service	6360		\$ 4,513
	<b>Office Expenses</b>	6311		<b>\$ 11,113</b>
Payroll 6510	Janitor and Cleaning Payroll	6511		\$ -
	Grounds Payroll	6535		\$ -
	Repairs Payroll	6540		\$ 80,250
	<b>Payroll</b>	6510		<b>\$ 80,250</b>
Supplies 6515	Janitor and Cleaning Supplies	6516		\$ -
	Exterminating Supplies	6522		\$ -
	Ground Supplies	6536		\$ -
	Repairs Material	6541		\$ 44,191
	Decorating Supplies	6561		\$ -
	<b>Supplies</b>	6515	4420	<b>\$ 44,191</b>
Contracts 6520	Janitor and Cleaning Contracts	6517		\$ -
	Exterminating Contracts	6519		\$ 125
	Grounds Contracts	6537		\$ -
	Repairs Contracts	6542		\$ 28,896
	Elevator Maintenance Contract	6545		\$ -
	Swimming Pool Maintenance Contract	6547		\$ -
	Decorating (Painting) Contract/Payroll	6560		\$ -
	<b>Contracts</b>	6520	4430	<b>\$ 29,021</b>
Misc. 6790	Miscellaneous Taxes, Licenses, Permits	6719		\$ -
	Other Insurance	6729		\$ 2,329
	<b>Miscellaneous Taxes, Permits &amp; Insurance</b>	6790		<b>\$ 2,329</b>

\* \*\* Owner to specify account numbers if not provided

**COMPUTATION OF SURPLUS CASH,  
DISTRIBUTIONS, AND RESIDUAL RECEIPTS**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-51A (Rev. 12/2014)

Project Name: <u>Schwartz / Rosewood</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>85140D / 85142D / 85143D</u>	Beginning Date: <u>April 1, 2019</u>
HUD Number: _____	Mortgagor: <u>Norwich Housing Authority</u>

**Part A - COMPUTE SURPLUS CASH**

CASH	1. Cash (Accounts 1110, 1120, 1191, 1192)	\$ 374,085	
	2. Tenant Subsidy vouchers due for period covered by financial statement	\$ 0	
	3. Other (describe)	\$ 0	
	<b>(A) Total Cash (Add Lines 1, 2, and 3)</b>		<b>\$ 374,085</b>
CURRENT OBLIGATIONS	4. Accrued mortgage interest payable	\$ 0	
	5. Delinquent mortgage principal payments	\$ 0	
	6. Delinquent deposits to reserve for replacements	\$ 0	
	7. Accounts payable (due within 30 days)	\$ 0	
	8. Loans and notes payable (due within 30 days, if allowed under CHFA loan documents)	\$ 0	
	9. Deficient Tax Insurance or MIP Escrow Deposits	\$ 0	
	10. Accrued expenses (not escrowed)	\$ 14,954	
	11. Prepaid Rents (Account 2210)	\$ 7,461	
	12. Tenant security deposits liability (Account 2191)	\$ 2,900	
	13. Other (Describe)	\$ 0	
	<b>(B) Less: Total Current Obligations (Add Lines 4 through 13)</b>		<b>\$ 25,315</b>
	<b>(C) Surplus Cash (Deficiency)(Line (A) minus Line (B))</b>		<b>\$ 348,770</b>

**Part B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS**

	1a. Surplus Cash (From Line (C))		\$ 348,770
	1b. Less: Additional Interest Due CHFA, if applicable		\$ 0
	1c. Surplus Cash Available for Distribution		\$ 348,770
LIMITED DIVIDEND PROJECTS	2a. Annual Distribution Earned During Fiscal Period Covered by Statement	\$ 0	
	2b. Distribution Accrued and Unpaid as of the End of the Fiscal Period	\$ 0	
	2c. Distributions Paid During Fiscal Period Covered by Statement	\$ 0	
	3. Amount to be Carried on Balance Sheet as Distribution Earned but Unpaid (Line 2a plus 2b minus 2c)	\$ 0	
	4. Amount Available for Distribution During Next Fiscal Period		\$ 0
	5. Deposits Due Residual Receipts (Must be deposited with Mortgagee within 60 days after Fiscal Period ends)		\$ 0

**COMPUTATION OF  
NET OPERATING INCOME**

Connecticut Housing Finance Authority  
Asset Management - Multifamily Housing

CHFA Form HM 6-52 (Rev. 12/2014)

Project Name: <u>Schwartz / Rosewood</u>	Fiscal Year-End: <u>March 31, 2020</u>
CHFA Number: <u>85140D / 85142D / 85143D</u>	Beginning Date: <u>April 1, 2019</u>
HUD Number: _____	Mortgagor: <u>Norwich Housing Authority</u>

**Part I - COMPUTE NET OPERATING INCOME (Source HM 6-50 "Statement of Operations")**

	Account #	
A. Profit (Loss) before Depreciation	5060T	\$ 1,180,651
B. Loss: Revenue from Investments - Residual Receipts	5430	\$ -
C. Loss: Revenue from Investments - Replacement Reserves	5440	\$ -
D. Loss: Revenue from Investments - Miscellaneous (Restricted Accounts Only)	5490	\$ -
E. Plus: Total Financial Expenses	6800T	\$ -
F. Loss: Replacement Reserve Deposits	Part II #2	\$ -
<b>G. Net Operating Income (NOI)</b>		<b>\$ 1,180,651</b>

**Part II - IDENTIFY SPECIAL FINANCIAL CONDITIONS FOR ADJUSTMENT**

**A. Replacement Reserves**

1) Disbursements from replacement reserve during period covered by the statement \$ -

a) Plus: Pending requests at year end for the release of funds from the replacement reserve to cover items either expensed or capitalized during the period covered by the statement \$ -

b) Loss: Total of funds received from replacement reserve during the period covered by the statement that were expensed or capitalized in prior years \$ -

c) Loss: Amount capitalized as increases in fixed assets during the period covered by the statement \$ -

d) Total disbursements from the replacement reserve included as expenses on HM 6-50 \$ -

2) Are there any extraordinary or one-time sources of income and/or expense(s) that are included on the Statement of Operations? (e.g.: Proceeds from insurance claim not received in the same period as the loss) YES NO

3) If YES, explain reason(s) and amount(s) below:

SSHP Grant	\$ (939,659)
	\$ -
	\$ -
	\$ -

TOTAL Extraordinary or one-time income / expense(s) \$ (939,659)

**B. Other Restricted Reserves**

1) Have all disbursements from other restricted reserve accounts (Operating Reserve, Residual Receipts, etc.) been capitalized as increases on the Schedule of Fixed Assets? YES NO N/A

2) If NO, what is the amount of other restricted reserve account releases that are represented as expenditures on the Statement of Operations? Explain reason(s) and amount(s) below:

	\$ -
	\$ -

**C. Interest Reduction Payments (HUD Section 236 developments only)**

1) Are Interest Reduction Payments (IRP) from HUD Section 236 contracts shown as income in Account #5945 and included in the expense line item Interest on Mortgage Payable in Account #6820? YES NO N/A

2) If NO, what is the annual amount of the IRP paid to CHFA by HUD on the development's behalf not included as income in Account #5945? \$ -

**Part III - ADJUSTED NET OPERATING INCOME FROM PART II**

	Source	
Net Operating Income	Part I - G	\$ 1,180,651
Plus: Replacement Reserve releases included as expenses in Statement of Operations	Part II - A1	\$ -
Loss/Plus: Extraordinary or one-time income / expense(s)	Part II - A3	\$ (939,659)
Plus: Other Restricted Reserve Accounts	Part II - B2	\$ -
Plus: Interest Reduction Payments	Part II - C2	\$ -
<b>Equals: Adjusted Net Operating Income (NOI)</b>		<b>\$ 240,992</b>



CERTIFIED PUBLIC ACCOUNTANTS

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

*Independent Auditor's Report*

Board of Commissioners  
Norwich Housing Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Norwich Housing Authority as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise Norwich Housing Authority's basic financial statements, and have issued our report thereon dated December 30, 2020.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Norwich Housing Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Norwich Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Norwich Housing Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Norwich Housing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
December 30, 2020



**Maletta & Company**

CERTIFIED PUBLIC ACCOUNTANTS

43 Enterprise Drive • Bristol, CT 06010-3990 • 860/582-6715 • Fax 860/585-6339

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

*Independent Auditor's Report*

Board of Commissioners  
Norwich Housing Authority

**Report on Compliance for Each Major Federal Program**

We have audited Norwich Housing Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Norwich Housing Authority's major federal programs for the year ended March 31, 2020. Norwich Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Norwich Housing Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Norwich Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Norwich Housing Authority's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Norwich Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2020.

### **Report on Internal Control over Compliance**

Management of Norwich Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Norwich Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Norwich Housing Authority's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
December 30, 2020

**NORWICH HOUSING AUTHORITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

Federal Grantor / Pass-Through Grantor / Program	Federal CFDA Number	Pass-Through / Identification Number	Federal Expenditures	Expenditures Subrecipients
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)</b>				
<b>Direct Programs:</b>				
Public and Indian Housing	14.850	CT018	\$ 628,529	\$ -
Public Housing Capital Fund Program	14.872	CT26P018501-18	170,809	-
Total CFP	14.872	CT26P018501-19	332,255	-
			503,064	-
Section 8 Housing Choice Vouchers	14.871	CT018	4,418,172	-
Total Housing Voucher Cluster			4,418,172	-
Section 8 New Construction and Substantial Rehabilitation	14.182		423,824	399,254
Total Section 8 Project-Based Cluster			423,824	399,254
<b>Total Department of Housing and Urban Development</b>			<b>5,973,589</b>	<b>399,254</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)</b>				
<b>Passed Through the Eastern Connecticut Area Agency on Aging</b>				
Special Programs for the Aging - Title III, Part B				
Grants for Supportive Services and Senior Centers	93.044	A-18-18	13,888	-
Total Aging Cluster			13,888	-
<b>Total Department of Health and Human Services</b>			<b>13,888</b>	<b>-</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 5,987,477</b>	<b>\$ 399,254</b>

See accompanying notes to the  
Schedule of Expenditures of Federal Awards

**NORWICH HOUSING AUTHORITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MARCH 31, 2020**

---

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of federal awards (the Schedule) includes the federal grant activity of the Norwich Housing Authority under programs of the federal government for the year ended March 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Norwich Housing Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Norwich Housing Authority.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

All expenditures are direct program expenditures.

The Authority has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – PROGRAM COSTS**

The amounts presented as federal expenditures represent only the federal portion of the actual program costs. Actual program costs, including the Norwich Housing Authority's portion, may be more than is shown on the schedule.

**NOTE D – SUB-RECIPIENTS**

Of the federal expenditures presented in the schedule, the Authority provided federal awards to subrecipients as follows:

<u>CFDA Number</u>	<u>Program Title/Sub-Recipient</u>	<u>Amount Provided</u>
14.182	Section 8 New Construction and Substantial Rehabilitation / Village Court Associates	<u>399,254</u>
		<u>\$ 399,254</u>

**NORWICH HOUSING AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED MARCH 31, 2020**

**I. Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:			
Material weaknesses identified?	Yes	<u>X</u>	No
Significant deficiencies identified?	Yes	<u>X</u>	None Reported
Noncompliance material to financial statements noted?	Yes	<u>X</u>	No

**Federal Awards**

Internal control over major programs:			
Material weaknesses identified?	Yes	<u>X</u>	No
Significant deficiencies identified?	Yes	<u>X</u>	None Reported
Type of auditor's report issued on compliance for major federal programs:	<b>Unmodified</b>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes	<u>X</u>	No

<u>Identification of major federal programs:</u>	
<u>CFDA Number(s)</u>	<u>Name of federal program or cluster</u>
14.871	Housing Voucher Cluster
14.850	Public and Indian Housing

Dollar threshold used to distinguish between type A and type B programs:	<u>\$ 750,000</u>
Auditee qualified as a low-risk auditee?	Yes <u>X</u> No

**II. Financial Statement Findings**

None Reported.

**III. Federal Awards Findings**

None Reported.

**NORWICH HOUSING AUTHORITY  
PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED MARCH 31, 2020**

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**2019-001 Procurement, Suspension and Debarment**

**Condition and Criteria:** We examined a sample of goods and services purchased during fiscal year 2019. We noted four instances by not having a written contract for construction related services and four instances in which written documentation describing all the specified factors in awarding of a solicitation was not adequately documented.

**Auditor's Recommendation:** The Authority should continue with their corrective action which was started to be implemented in fiscal year 2019.

**Status:** Corrective Action taken.

**2019-002 Reporting – Performance Reporting: SEMAP Certification**

**Condition and Criteria:** We examined the supporting documentation for the Authority's SEMAP assessment and identified that the Authority did not adequately identify the universes for indicators for the indicators: Selection from the Waiting List (Indicator 1), Reasonable Rent (Indicator 2), determination of adjusted income (Indicator 3), and HQS Quality Control Inspections (Indicator 5), HQS Enforcement (Indicator 6). The Authority did maintain documentation supporting that selections were made in an unbiased manner and that the review was conducted by someone other than the person who performed the work.

**Auditor's Recommendation:** The Authority should continue with their corrective action which was started to be implemented in fiscal year 2019.

**Status:** Corrective Action in progress, delayed due to COVID.



**Maletta & Company**

CERTIFIED PUBLIC ACCOUNTANTS

43 Enterprise Drive • Bristol, CT 06010-3990 • 860/582-6715 • Fax 860/585-6339

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT**

*Independent Auditor's Report*

Board of Commissioners  
Norwich Housing Authority

**Report on Compliance for Each Major State Program**

We have audited Norwich Housing Authority's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of Norwich Housing Authority's major state programs for the year ended March 31, 2020. Norwich Housing Authority's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Norwich Housing Authority's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Norwich Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Norwich Housing Authority's compliance.

### **Opinion on Each Major State Program**

In our opinion, Norwich Housing Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended March 31, 2020.

### **Report on Internal Control over Compliance**

Management of Norwich Housing Authority, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Norwich Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Norwich Housing Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.



Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
December 30, 2020

NORWICH HOUSING AUTHORITY  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED MARCH 31, 2020

STATE GRANTOR/ PASS-THROUGH GRANTOR PROGRAM TITLE	STATE GRANT PROGRAM CORE-CT NUMBER	EXPENDITURES
<i>Department of Housing</i>		
Affordable Housing (Flexible Program)	12063-DOH46900-40237	\$ 943,259
State Multi-Family Housing Revitalization Program	17-306	429,390
Elderly Rental Assistance Program (ERAP)	11000-DOH46920-16084-102	98,144
Resident Service Coordinator	11000-DOH46920-12032-107	44,608
<b>Total Department of Housing</b>		<u>1,515,401</u>
<b>Total State Financial Assistance</b>		<u>\$ 1,515,401</u>

See Notes to Schedule

**NORWICH HOUSING AUTHORITY**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED MARCH 31, 2020**

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The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Norwich Housing Authority under programs of the State of Connecticut for the year ended March 31, 2020. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including development funding, tenant assistance and living services for eligible tenants.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Norwich Housing Authority conform to accounting principles generally accepted in the United States of America as applicable to governmental agencies.

The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

***Basis of Accounting***

The expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

**NORWICH HOUSING AUTHORITY  
STATE FINANCIAL ASSISTANCE PROGRAMS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED MARCH 31, 2020**

**I. SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes    X No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes    X None reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes    X No

*State Financial Assistance*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes    X No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes    X None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit finding disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? \_\_\_\_\_ Yes    X No

- The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core CT Number</u>	<u>Expenditures</u>
<i>Department of Housing</i>		
State Multi-Family Revitalization Program	17-306	\$ 943,259
Elderly Rental Assistance Program	11000-DOH46920-16084-102	\$ 98,144
• Dollar threshold used to distinguish between type A and type B programs		\$ 200,000

**II. FINANCIAL STATEMENT FINDINGS**

None Reported

**III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

None Reported

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165 Commerce Court  
 PO Box 188  
 Crestfield, CT 06110-0188

803-271-8220 ext 870-873-0242  
 Fax 203-271-2265  
 www.housingcenter.com

**CERTIFICATE OF INSURANCE**

ID: 492, Endorsement: 01-035-01-2020-6

Issue Date: 06/19/2020

Insured: Norwich Housing Authority

Address: 10 Westwood Park  
 Norwich, CT 06360-6360

**Coverages**

Type of Insurance	Policy Number	Limits
Commercial Liability	HARRG-492-203173-2020	General Aggregate: \$ 5,000,000 Per Occurrence: \$ 5,000,000 Personal and Adv Inj: \$ 5,000,000 Fire Damage Sub-Limit: \$ 50,000 Athletic Sport Sub-Limit Per Occurrence: \$ 250,000 Aggregate: \$ 250,000
[X] Coverage A; Bodily Injury and Property Damage Liability: Occurrence	Effective Date: 07/01/2020 12:01 AM	
[X] Coverage B; Personal and Advertising Injury Liability: Occurrence Coverage	Expiration Date: 07/01/2021 12:01 AM	

Description: Adding a municipality as an additional insured  
 Certificate Holder: State of Connecticut, Department of Housing  
 its successors and assigns, as their interest may appear  
 505 Hudson Street, 4th Floor  
 Hartford, CT 06106

Company: Housing Authority Risk Retention Group, Inc.

THIS IS TO CERTIFY THAT THE POLICIES LISTED ABOVE HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY CLAIMS PAID. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES ABOVE.

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 90 days written notice to the certificate holder named above, but failure to mail such notice shall impose no obligations or liability of any kind upon the company, its agents, or representatives.

Signature of Authorized Representative

Risk Specialists Companies Insurance Agency, Inc.  
d/b/a RSCIA in NH, UT & VT  
500 West Madison Street  
SUITE 3000  
Chicago, IL 60661-4576  
(312) 930-5300



**BINDER OF INSURANCE CONFIRMATION LETTER**

January 13, 2021

Ronni Rausch  
ARTHUR J GALLAGHER RISK MNGT SERV INC  
470 ATLANTIC AVE  
BOSTON, MA 02210

**Insured:** ADMINISTRATIVE SERVICES, CONNECTICUT DEPARTMENT OF  
450 Columbus Blvd.  
STE 1401, HARTFORD, CT 06103

**Insurance Carrier:** NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.  
175 WATER STREET, NEW YORK, NY, 10038-4969

**Policy:** GOVERNMENT CRIME POLICY  
TAB #: 7177050, SUBMISSION #: 143811750  
POLICY #: 03-791-50-13  
REPLACEMENT OF POLICY #: 3-984-83-74  
POLICY PERIOD: FROM 01/01/2021 TO 01/01/2022

Dear Ronni:

On behalf of National Union Fire Insurance Company of Pittsburgh, Pa. (hereinafter "Insurer"), I am pleased to confirm the binding of coverage in accordance with our agreement as set forth below and subject to the conditions set forth herein. Please review said Binder for accuracy and contact the Insurer prior to the effective date of policy coverage of any inaccuracy(ies) found within the issued Binder. If the Insurer does not hear from you prior to the effective date of policy coverage it will be understood that the Binder has been accepted as an accurate description of the agreed upon terms of coverage.

**\*\*\*IMPORTANT POLICY ISSUANCE VERIFICATION\*\*\***

A policy will be issued with the name and address of the Insured exactly as referenced in the "Policy Information" Section of this Binder. If this information is inaccurate, please advise us immediately.

**POLICY INFORMATION**

**INSURED:** ADMINISTRATIVE SERVICES, CONNECTICUT  
DEPARTMENT OF

**INSURED'S ADDRESS:** 450 Columbus Blvd. STE 1401  
HARTFORD, CT 06103

**TYPE OF POLICY:** Government Crime Policy

BASIC FORM: CRO027 (05/06)

INSURANCE COMPANY: National Union Fire Insurance Company of Pittsburgh, Pa.

POLICY NUMBER: 03-791-50-13

EFFECTIVE DATE: 01/01/2021 EXPIRATION DATE: 01/01/2022

Single Loss Coverage Forms	Limit of Liability	Single Loss Deductible
Employee Theft-Per Loss Coverage	\$100,000	\$7,500
Forgery or Alteration	\$100,000	\$5,000
Inside Premises-Theft of Money & Securities	\$100,000	\$5,000
Inside Premises-Robbery, Safe Burglary-Other Prop.	\$100,000	\$5,000
Outside the Premises	\$100,000	\$5,000
Computer Fraud	\$100,000	\$5,000
Money Orders and Counterfeit Paper Currency	\$100,000	\$5,000

Premium	\$25,875
Commission	8.00 %

OTHER TERMS: Per Insurer quote/indication letter dated 01/06/2021 except as indicated below.

Total Amount due: \$25,875

Important Conditions of Binder: See Below

ENDORSEMENTS

The following endorsements will be added to the basic policy:

#	Form #	Ed Dt	Title
1	CR0229	08/07	CONNECTICUT CHANGES
2	CR0167	05/06	CONNECTICUT CHANGES
3	CR2508	08/07	INCLUDE SPECIFIED NON COMPENSATED OFFICERS AS EMPLOYEES
4	113013	10/12	PROTECTED INFORMATION EXCLUSION
5	113024	10/12	INDIRECT OR CONSEQUENTIAL LOSS EXCLUSION
6	99758	08/08	NOTICE OF CLAIM (REPORTING BY E-MAIL)
7	119679	09/15	ECONOMIC SANCTIONS ENDORSEMENT
8	CR2519	05/06	ADD FAITHFUL PERFORMANCE OF DUTY COVERAGE FOR GOVERNMENT EMPLOYEES
9	CR2027	08/07	PROVIDE VARYING DEDUCTIBLES

10	CR2531	08/07	ADD BLANKET EXCESS LIMIT OF INSURANCE FOR SPECIFIED JOINT INSURED
11	CR2015	08/07	JOINT LOSS PAYABLE
12	95417	08/07	ADDITIONAL NAMED INSURED
13	134476	07/19	IMPERSONATION FRAUD COVERAGE (ISO COM AND GOV CRIME)
14	78859	10/01	FORMS INDEX ENDORSEMENT

CONDITIONS OF BINDER

When signed by the Insurer, the coverage described above is in effect from 12:01 AM of the Effective Date listed above to 12:01 AM of the Expiration Date listed above, pursuant to the terms, conditions and exclusions of the policy form listed above, any policy endorsements described above, and any modifications of such terms as described in this Binder section. Unless otherwise indicated, this Binder may be canceled prior to the Effective Date by the Insured, or by the Broker on the behalf of the Insured, by written notice to the Insurer or by the surrender of this Binder stating when thereafter such cancellation shall be effective. Unless otherwise indicated, this Binder may be canceled by the Insurer prior to the Effective Date by sending written notice to the Insured at the address shown above stating when, not less than thirty days thereafter, such cancellation shall be effective. Unless otherwise indicated, this Binder may be canceled by the Insurer or by the Insured on or after the Effective Date in the same manner and upon the same terms and conditions applicable to cancellation of the policy form listed above. Issuance by the Insurer and acceptance by or on the behalf of the Insured of the policy shall render this Binder void except as indicated below.

A condition precedent to coverage afforded by this Binder is that no material change in the risk occurs and no submission is made to the Insurer of a claim or circumstances that might give rise to a claim between the date of this Binder indicated above and the Effective Date.

Please note this Binder contains only a general description of coverages provided. For a detailed description of the terms of a policy you must refer to the policy itself and the endorsements bound herein.

PREMIUM PAYMENT

Our accounting procedures require that payment be remitted within 30 days of the effective date of coverage or 15 days from the billing date, whichever is later.

We appreciate your compliance with this procedure.

We appreciate your business and hope that we can be of further service to you in the future.

Sincerely,

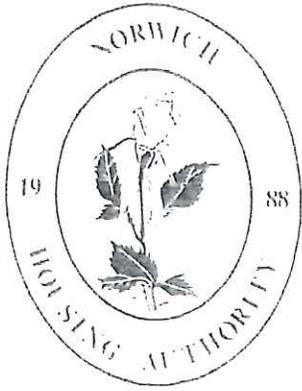


AMIE PLUFF  
Underwriter  
Financial Lines  
913-495-3062

If you have any questions regarding this policy, or for any other service needs, please contact our AIG Broker Services:

Monday-Friday 9:00 AM - 6:00 PM Eastern  
Telephone: 1-877-TO-SERVE or (877)867-3783  
E-mail: TOSERVE@aig.com  
Fax: (800) 315-3896

*Raising the bar with commitment to quality*



# NORWICH HOUSING AUTHORITY

10 Westwood Park  
Norwich, CT 06360

---

(860) 887-1605  
FAX: (860) 889-3139

## STATEMENT FOR EXHIBIT 2 –

Norwich Housing Authority pays all payroll taxes and worker's compensation as required by Federal and State Law.

# EXHIBIT 3

CINCINNATI OH 45999-0038

In reply refer to: 0248254921  
Feb. 23, 2015 LTR 4076C 0  
06-1301995 000000 00

00021916  
BODC: TE

NORWICH HOUSING AUTHORITY  
10 WESTWOOD PARK  
NORWICH CT 06360

Federal Identification Number: 06-1301995  
Person to Contact: Darlene Evans  
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This responds to your request for information about your federal tax status. Our records do not specify your federal tax status. However, the following general information about the tax treatment of state and local governments and affiliated organizations may be of interest to you.

## GOVERNMENTAL UNITS

Governmental units, such as States and their political subdivisions, are not generally subject to federal income tax. Political subdivisions of a State are entities with one or more of the sovereign powers of the State such as the power to tax. Typically they include counties or municipalities and their agencies or departments. Charitable contributions to governmental units are tax-deductible under section 170(c)(1) of the Internal Revenue Code if made for a public purpose.

## ENTITIES MEETING THE REQUIREMENTS OF SECTION 115(1)

An entity that is not a governmental unit but that performs an essential government function may not be subject to federal income tax, pursuant to Code section 115(1). The income of such entities is excluded from the definition of gross income as long as the income (1) is derived from a public utility or the exercise of an essential government function, and (2) accrues to a State, a political subdivision of a State, or the District of Columbia. Contributions made to entities whose income is excluded income under section 115 may not be tax deductible to contributors.

## TAX-EXEMPT CHARITABLE ORGANIZATIONS

An organization affiliated with a State, county, or municipal government may qualify for exemption from federal income tax under section 501(c)(3) of the Code, if (1) it is not an integral part of the government, and (2) it does not have governmental powers inconsistent with exemption (such as the power to tax or to exercise enforcement or regulatory powers). Note that entities may meet the requirements of both sections 501(c)(3) and 115 under certain circumstances. See Revenue Procedure 2003-12, 2003-1 C.B. 316.

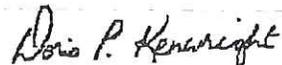
NORWICH HOUSING AUTHORITY  
10 WESTWOOD PARK  
NORWICH CT 06360

Most entities must file a Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code, to request a determination that the organization is exempt from federal income tax under 501(c)(3) of the Code and that charitable contributions are tax deductible to contributors under section 170(c)(2). In addition, private foundations and other persons sometimes want assurance that their grants or contributions are made to a governmental unit or a public charity. Generally, grantors and contributors may rely on the status of governmental units based on State or local law. Form 1023 and Publication 4220, Applying for 501(c)(3) Tax-Exempt Status, are available online at [www.irs.gov/eo](http://www.irs.gov/eo).

We hope this general information will be of assistance to you. This letter, however, does not determine that you have any particular tax status. If you are unsure of your status as a governmental unit or state institution whose income is excluded under section 115(1) you may seek a private letter ruling by following the procedures specified in Revenue Procedure 2007-1, 2007-1 I.R.B. 1 (updated annually).

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,



Doris Kenwright, Operation Mgr.  
Accounts Management Operations 1

## EXHIBIT 4

Norwich Housing Authority  
Board of Commissioners  
Effective Date – February 10, 2021

Alan H. Bergren  
16 Wales Road  
Norwich, CT 06360  
Term: 5/8/2018 – 10/31/2022

Office: Chairman

Wilma J. Sullivan  
220 McKinley Avenue Ext.  
Norwich, CT 06360  
Term: 11/1/2016 – 10/31/2021

Office: Vice-Chairman

Benjamin P. Lathrop  
116 Mowry Avenue  
Norwich, CT 06360  
Term: 02/03/2021 – 10/31/2025

Office: Assistant Treasurer

Mary Ellen Lunt  
61 Sherwood Lane  
Norwich, CT 06360  
Term: 9/9/2020 – 10/31/2023

Office: Assistant Secretary

Frances E. Patterson  
62 Westwood Park  
Norwich, CT 06360  
Term: 1/7/2020 – 10/31/2024

Office: Resident Commissioner

Executive Director:

Jeffrey S. Arn

Office Location:

10 Westwood Park, Norwich, CT 06360

Office Hours:

8:30 a.m. – 4:30 p.m.

Telephone Number:

(860) 887-1605

Fax Number:

(860) 889-3139

E-mail address:

admin@norwichha.org

Regular Meeting Schedule:

Second Wednesday of the Month

Regular Meeting Time:

4:30 p.m.

Regular Meeting Location:

10 Westwood Park, Norwich, CT 06360

Annual Meeting Date:

Second Wednesday of April

Annual Meeting Time:

4:30 p.m.

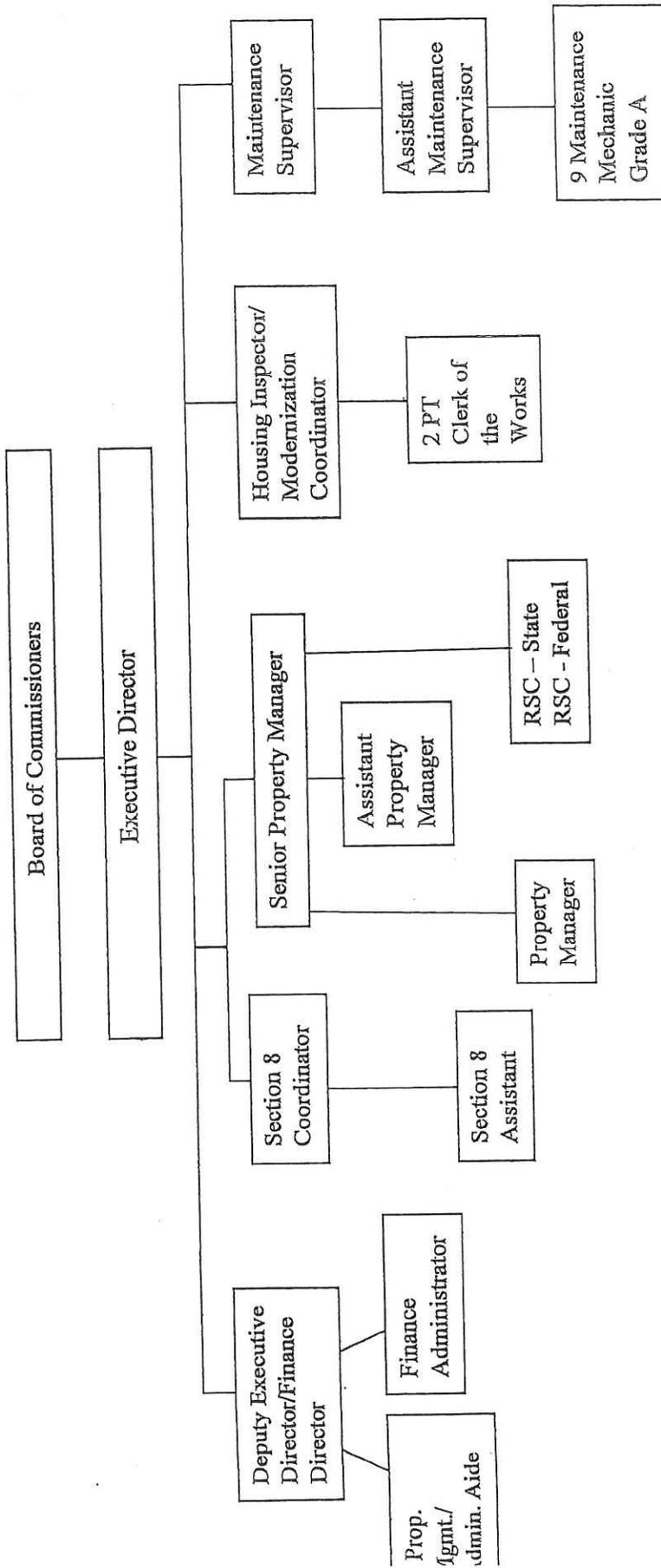
Annual Meeting Location:

10 Westwood Park, Norwich, CT 06360

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EXHIBIT 5

NORWICH HOUSING AUTHORITY



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NORWICH HOUSING AUTHORITY

## JOB DESCRIPTION

TITLE: EXECUTIVE DIRECTORGENERAL DESCRIPTION

This position is responsible for the overall planning, administration, direction and management of the Norwich Housing Authority ("Authority" or "NHA") under the policy guidelines established by the Authority's Board of Commissioners ("Board" or "Commissioners"). Acts as the chief executive officer of the agency and represents the Authority in its relations with Federal, State and local government agencies, as well as other public and private agencies.

SUPERVISION RECEIVED

Responsible to the Board which evaluates the Executive Director's job performance through a series of reports, personal meetings and other evaluative material. The Commissioners are empowered to select and terminate the services of the person holding this position. Reports to and works under the general supervision and direction of the Board and in conformance with all duly adopted and applicable laws, rules, regulations, policies and resolutions related to the Authority and State, Federal and local governments and public housing.

SUPERVISION EXERCISED

Responsible for the general supervision of all employees and direct supervision over the Deputy Executive Director/Finance Director, Modernization Coordinator/Housing Inspector, Maintenance Supervisor, Senior Property Manager and the Section 8 Housing Choice Voucher Coordinator. Provides guidance and leadership to the entire work force, principally through the implementation of policies and procedures. Possesses the final authority for the selection, appointment, discipline and termination of all employees.

ESSENTIAL DUTIES AND RESPONSIBILITIES

Prepares and furnishes all material to be reviewed by and acted upon by the Board. Acts as secretary to the Board, maintains appropriate minutes, files and records. Responsible for the preparation and control of the annual budget and any supplementary budget(s). Maintains liaison with community-based organizations and city officials, interpreting and explaining the Authority's programs and viewpoints on housing, resident services and other matters of interest to them. Responsible for the selection, appointment, discipline and termination of all employees of the agency. Decides on the appropriate course(s) of action related to adopted policies and procedures. Initiates and implements changes and revisions to policies and procedures. Conducts Union negotiations. Responsible for the final review of all work programs. Attends meetings, workshops, conferences, seminars and other sessions dealing with housing in order to gain firsthand knowledge of new or improved housing programs in the public and private sectors. Reviews all correspondence dealing with policies issued by the Board of Commissioners for clarity and soundness. Prepares a series of reports for internal and external use. Performs other related duties of the position as required.

# NORWICH HOUSING AUTHORITY

## JOB DESCRIPTION

### TITLE: EXECUTIVE DIRECTOR

(Continued – Page 2)

### NONESSENTIAL DUTIES

None.

### KNOWLEDGE, SKILLS AND ABILITIES

Considerable knowledge of the principles, theory and methods of management. Ability to establish and maintain effective working relationships with staff members and community leaders. Ability to prepare and issue clear and concise instruction, either orally or in written form. Ability to research and gather data relating to housing management / maintenance problems, gathering essential data and information. Working knowledge of government regulations and appropriate aspects of the law. Ability to manage a moderately large organization. Ability to make complex mathematical computation. Ability to prepare budgets and assorted financial statements. Ability to develop and install a variety of management / maintenance systems and sub-systems. Ability to read and understand blueprints, engineering drawings and technical documents. Ability to use a personal computer and familiarity with Microsoft Office and Outlook. Ability to communicate effectively orally and in writing. Must be able to handle discreet personnel information in a confidential manner. Ability to maintain effective working relationships with superiors, co-workers, vendors, State and Federal agencies and the general public.

Practical and working knowledge of HUD public housing programs and regulations pertaining to federal PHA management, including the Housing Choice Voucher program. Practical and working knowledge of public housing programs operated by the State of Connecticut, to include the State Department of Housing (DOH) and Connecticut Housing Finance Authority (CHFA).

### QUALIFICATIONS

Must have and maintain a valid State of Connecticut driver's license. Possession of a Bachelor's Degree from an accredited college or university in housing management, community development, finance, accounting, public administration or business administration, plus a minimum of five (5) years responsible management experience in an organization of comparable size and complexity as the NHA with three (3) years in a high level position. Experience in accounting or finance, preferably related to public housing. May be required to attend training or education programs related to public housing and to obtain and maintain other job-related certifications for continued employment with NHA.

## NORWICH HOUSING AUTHORITY

### JOB DESCRIPTION

#### TITLE: EXECUTIVE DIRECTOR

(Continued – Page 3)

#### SPECIAL REQUIREMENTS

Must have use of a reliable vehicle.

#### TOOLS AND EQUIPMENT USED

Motor vehicle, computer, printer, telephone, calculator, typewriter, copy machine, fax and other standard office equipment.

#### PHYSICAL AND MENTAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, talk and listen. The employee is occasionally required to walk; use hands to finger, handle, or operate office equipment; required to use/ operate a computer system 50% or more of each day; and reach with hands and arms. The employee must occasionally lift and or move up to fifteen (15) pounds. Specific vision abilities required by this job include close vision and the ability to adjust focus. Employee must be able to read, analyze and interpret complex documents to include financial reports, audits and legal documents, write routine and technical reports and correspondence and effectively present information in one on one situations to top management, public agencies, outside boards and Commissioners. This position requires the ability to apply common sense and understanding in dealing with problems involving several concrete variables in standardized situations. This position requires the ability to define problems, collect data, establish facts and draw valid conclusions,

#### WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounter while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The work is conducted in typical office working conditions with virtually no disagreeable features. The noise level in the work environment is generally quiet.

**NORWICH HOUSING AUTHORITY**

**JOB DESCRIPTION**

**TITLE: EXECUTIVE DIRECTOR**

(Continued – Page 4)

**GENERAL GUIDELINES**

The duties listed above are intended only as illustrations of the various types of work that may be performed. The same is not, nor is it intended to be, a complete statement of all intended functions and responsibilities that comprise the position. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer at any time for any reason with or without prior notice to the employee.

## NORWICH HOUSING AUTHORITY

### JOB DESCRIPTION

**TITLE: DEPUTY EXECUTIVE DIRECTOR/ FINANCE DIRECTOR** – Administrative Division

#### GENERAL DESCRIPTION

This position performs highly responsible financial and administrative functions in directing the fiscal management of the NHA. Ensures that the same meet all applicable federal, state and local rules, regulations and requirements.

Work involves responsibility for accounting, investing, data processing, auditing, operating and capital budget development, rent structure and collections, risk management, payroll, accounts payable and purchasing functions. Duties include policy recommendations, financial planning and the direction and administration of all fiscal related activities, functions, and operations. Position has the responsibility for making the difficult management technical decisions. The work requires that the employee have thorough knowledge, skill and ability in every phase of public housing, including, but not limited to, financial management and administration.

#### SUPERVISION RECEIVED

Reports to and works under the general supervision and direction of the Executive Director, and in conformance with all duly adopted and applicable laws, rules, regulations, policies and resolutions related to the NHA and state, federal and local governments and public housing.

#### SUPERVISION EXERCISED

Supervises, directs and is responsible for the work of the Bookkeeper and Cashier/ Administrative Aide, and other NHA personnel when performing duties/ responsibilities associated with the front desk or the financial operations, administration, or concerns of the NHA. In the absence of the Executive Director, the employee is responsible for the general supervision of all employees, and direct supervision over the Maintenance Supervisor, Modernization Coordinator, Senior Property Manager, and Section 8 Coordinator.

#### ESSENTIAL DUTIES AND RESPONSIBILITIES

This position is responsible for preparing complete and accurate budget and financial records required by the NHA. Responsible for the supervision and training of financial operations employees in all aspects of housing finances. Prepares all budget and special projects for funding agencies. Reviews new programs and furnishes financial advice regarding same. Reviews authority policies and procedures for operational efficiency. Prepares reports for the Executive Director concerning all departmental financial operations. Prepares quarterly and other financial statements. Controls the cash flow of the NHA in the investment of funds. Analyzes and approves **financial documents regarding purchasing requisitions, leasing contracts, and service agreements.** Responsible for the insurance coverage of the NHA property and

**NORWICH HOUSING AUTHORITY**

**JOB DESCRIPTION**

**TITLE: DEPUTY EXECUTIVE DIRECTOR/ FINANCE DIRECTOR – Administrative Division**

**(Continued – Page 2)**

processing claims. Maintains property inventory control records. Authorizes payments of vendors and oversees accounts payable records for contractual obligations. Provides liaison with funding agencies and IPA auditors. Responsible for maintaining the computer system. Responsible for developing policies and procedures for the financial operation of the NHA. Responsible for the timely preparation, reconciliation, analysis, and internal audit of all records and books of accounts. Certifies fund availability. Responsible for monitoring all expenditures and receipts. Responsible for preparation of all reports related to employees' benefits, pensions, payroll, and taxes. Prepares annual budgets. Compiles and analyzes cost variance data. Responsible for the development of an investment policy. Responsible for the maintenance of insurance register. Responsible for administrative procedures regarding internal financial transactions. Responsible for the maintenance of all personnel related records and files. Responsible for maintaining payroll records and verifying weekly payroll amounts. Responsible for administration of personnel policies. Performs functions of Personnel Manager, including assisting in negotiations and Union relations as required. Attends and participates in all meetings of the Board of Commissioners, and other meetings or hearings as may be directed by the Executive Director.

**OTHER RELATED DUTIES**

Performs other related duties as required, assigned or directed, including those of a lesser classification. In the absence of Executive Director, serves as Acting Executive Director. During such periods, performs all work, duties and responsibilities related to said position.

**NONESSENTIAL DUTIES**

None.

**KNOWLEDGE, SKILLS AND ABILITIES**

Extensive knowledge of accounting principles and practices, with particular emphasize on public housing. Extensive knowledge of the financial requirements related to federal low-income family and elderly housing, State moderate rental housing, State elderly housing, State affordable housing, Section 8 housing programs, and Section 8 housing voucher program. Ability to prepare bid specification documents for capital expenditures. Ability to prepare complex financial documents. Ability to develop financial and administrative controls. Considerable knowledge of public financial management, principles, theories, and practices. Considerable knowledge of real estate practices and procedures. Considerable knowledge of workers'

## NORWICH HOUSING AUTHORITY

### JOB DESCRIPTION

**TITLE: DEPUTY EXECUTIVE DIRECTOR/ FINANCE DIRECTOR** – Administrative Division

(Continued – Page 3)

compensation regulations. Ability to communicate effectively orally and in writing. Must have the ability to operate accounting computer system. Must be able to handle discreet personnel information in a confidential manner. Ability to maintain effective working relationships with superiors, co-workers, vendors, State and Federal agencies, and the general public.

#### QUALIFICATIONS

Must have and maintain a valid State of Connecticut driver's license. Possession of a Bachelor's Degree from an accredited college or university in finance, accounting, public administration, or business administration, plus a minimum of four years experience in accounting or finance, preferably related to public housing. Eight to ten years experience in business or local government or a Master's Degree in accounting or public finance may be substituted for four years of business or public government experience. May be required to attend training or education programs related to public housing, and to obtain and maintain other job-related certifications, for continued employment with NHA.

#### SPECIAL REQUIREMENTS

Must have use of a reliable vehicle.

#### TOOLS AND EQUIPMENT USED

Motor vehicle, computer, printer, telephone, calculator, typewriter, copy machines, fax and other standard equipment.

#### PHYSICAL AND MENTAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit and talk and listen. The employee is occasionally required to walk; use hands to finger, handle, or operate office equipment; required to use/ operate accounting computer system 50% or more of each day; and reach with hands and arms. The employee must occasionally lift and or move up to fifteen (15) pounds. Specific vision abilities required by this job include close vision and the ability to adjust focus. Employee must be able to read, analyze and interpret complex

## NORWICH HOUSING AUTHORITY

### JOB DESCRIPTION

#### TITLE: DEPUTY EXECUTIVE DIRECTOR/ FINANCE DIRECTOR – Administrative Division

(Continued – Page 4)

documents, to include financial reports, audits and legal documents, write routine and technical reports and correspondence and effectively present information in one on one situations, to top management, public agencies, outside boards and commissions, and the Board of Commissioners. This position requires the ability to apply common sense and understanding in dealing with problems involving several concrete variables in standardized situations. This position requires the ability to define problems, collect data, establish facts and draw valid conclusions.

#### WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounter while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The work is conducted in typical office working conditions with virtually no disagreeable features. The noise level in the work environment is generally quiet.

#### GENERAL GUIDELINES

The duties listed above are intended only as illustrations of the various types of work that may be performed. The same is not, nor is it intended to be, a complete statement of all intended functions and responsibilities that comprise the position. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer at any time for any reason with or without prior notice to the employee.

COMMUNITY DEVELOPMENT BLOCK GRANT  
CITY OF NORWICH, CONNECTICUT

APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE  
2021-22 PROGRAM YEAR

Federal, State, and City law prohibits employees and public officials of the City of Norwich from participating on behalf of the City in any transaction in which they have a financial interest. This questionnaire must be completed and submitted by each applicant for Community Development Block Grant (CDBG) funding. The purpose of this questionnaire is to determine if the applicant, or any of the applicant's staff, or any of the applicant's Board of Directors would be in conflict of interest.

1. Is there any member(s) of the applicant's staff or any member(s) of the applicant's Board of Directors or governing body who is or has/have been within one year of the date of this questionnaire (a) a City employee or consultant, or (b) a City Council member, or (c) a member of the Community Development Advisory Committee (CDAC) member?  Yes  No

If yes, please list the name(s) and information requested below:

Name of person	<i>Job Title of person</i>	Indicate City employee, consultant, City Council person, or CDAC member

**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT  
 APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE  
 2021-22 PROGRAM YEAR**

2. Will the CDBG funds requested by the applicant be used to award a subcontract to any individual(s) or business affiliate(s) who is/are currently or has/have been within one year of the date of this questionnaire a City employee, consultant, City Council person or Community Development Advisory Committee member?

Yes             No

If yes, please list the name(s) and information requested below:

Name of person	<i>Job Title of person</i>	Indicate City employee, consultant, City Council person, or CDAC member

3. Is there any member(s) of the applicant's staff or member(s) of the applicant's Board of Directors or other governing body who are business partners or family members of a City employee, consultant, City Council person, Community Development Advisory Committee member?

Yes             No

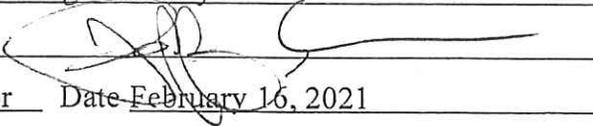
If yes, please identify below the City employee, consultant, or Council member with whom each individual has family or business ties.

Name of member	Name of City employee, Consultant, City Council member, CDAC member	Indicate type of tie (Family or Business)	If family, indicate relationship

**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT  
APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE  
2021-22 PROGRAM YEAR**

4. Have you read and understood the HUD regulation regarding conflict of interest, 24 CFR 570.611 (attached)?

Name of Applicant: Norwich Housing Authority

Signature of Applicant's Representative 

Title Jeffery S. Arn, Executive Director Date February 16, 2021

**HUD REGULATION REGARDING CONFLICT OF INTEREST**

**Section 3 Contractor Affidavit (SAMPLE)**

A Section 3 Business Concern is a business or organization that:

- Is 51 percent or more owned by section 3 residents; or
- Has permanent, full-time employees at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
- Has a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to such businesses describe above

This is to certify that \_\_\_\_\_  
Business Name (Print)

\_\_\_\_\_ Is a Section 3 Business Concern (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

\_\_\_\_\_ Is **NOT** a Section 3 Business Concern but the contract for work will require my business or sub-contractor to hire, train, or educate a new employee. (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

\_\_\_\_\_ Is **NOT** a Section 3 Business Concern and the contract for work will **NOT** require my business or sub-contractor to hire, train or educate a new employee. (No further action is necessary unless an employee is hired during the contract period)

\_\_\_\_\_  
Authorized Signer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

---

### Section 3 Requirements (SAMPLE)

#### CONTRACTOR'S SECTION 3 PLAN CERTIFICATION

Project \_\_\_\_\_

Contractor's Name \_\_\_\_\_

The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons.

As representative of the Contractor, I hereby agree:

- to list on Table A all projected workforce needs for all phases of this project by occupation, trade, skill level and number of positions.
- to comply to the greatest extent feasible with the objectives and percentage goals established in the Section 3 Plan for Housing and Community Development Assistance of the City of Norwich.
- that to the greatest extent feasible vacant positions in relation to this project will be filled with Section 3 residents.
- to conduct recruitment activities in a manner consistent with the Section 3 requirements as shown on Table B.
- to include in all contracts with subcontractors in excess of \$100,000 the Section 3 Clause and to require the subcontractor to comply with similar certification requirements.
- to maintain proper records to demonstrate compliance with the Section 3 plan.
- to award to the greatest extent possible, all subcontracts in excess of \$100,000 to eligible Section 3 firms.

\_\_\_\_\_  
Contractor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

**TABLE A**

Contractor/Subcontractor: \_\_\_\_\_

Project Name: \_\_\_\_\_

(a) The number of persons currently employed by contractor that will be performing work under this contract:

<u>Job Title</u>	<u>Total Employees</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(b) The number of employees you intend to hire for contract:

<u>Job Title</u>	<u># Needed</u>
_____	_____
_____	_____

<u>Job Title</u>	<u># Needed</u>
_____	_____
_____	_____
_____	_____
_____	_____

**TOTAL:** \_\_\_\_\_

