

October 24, 2023 Board Packet

Agenda October 24, 2023 Meeting	1
Minutes September 19, 2023 Meeting	2
Sole Source Justification for EHRF-3 (signed)	6
Housing Choice Vouchers Report	8
Housing Choice Vouchers Annual Plan Memo	10
Annual PHA Plan 50075-HCV Final	11
Resident Advisory Board Narrative	19
50077-SL - Needs to be signed	20
50077-ST-HCV-HP - Needs to be signed	21
Memo Intent to Proceed with 2024 DOE WAP Application and State Plan	24
2024 DOE State Plan WIP	26
2024 Goal Setting - Brainstorming & Summary	56
Asset Management	59
Development	60
Energy and Housing Services	64
Finance Monthly Report	69
Financial & Budget Report	133
Finance Delinquency Report & Charts	142
Homeless Initiatives	152
Homeownership	156
Human Resources & Facilities	159
Information Technology	160
Planning and Research	162
2023 Board Calendar	169



Board of Commissioners Meeting – October 24, 2023 9:00 a.m. to 12:00 p.m.

MEMBERS OF THE BOARD: Frank O’Hara (Chair), Daniel Brennan, Henry Beck, Laura Buxbaum (Vice Chair), Nancy Harrison, Elizabeth Dietz (Secretary), Renee Lewis, Noël Bonam, and Paul Shepherd

9:00	Adopt Agenda (VOTE)	All
	Remote Commissioners	Frank O’Hara
	- Reason remote	
	- Any other persons at their location	
	Approve minutes of September 19, 2023 meeting (VOTE)	All
	Communications and Conflicts	All
	Chair of the Board Updates	Frank O’Hara
	Director Updates	Dan Brennan
9:30	Adopt PHA Plan	Allison Gallagher
9:45	Introduce DOE Weatherization State Plan	Amanda Roy
10:00	Homeless Redesign Update	Lauren Bustard
10:15	2024 Goal Setting	Jamie Johnson
	<u>Department Reports:</u>	All
	Asset Management	
	Development	
	Energy and Housing Services	
	Finance Monthly Report	
	Financial & Budget Report	
	Finance Delinquency Report & Charts	
	Homeless Initiatives	
	Homeownership	
	Housing Choice Vouchers	
	Human Resources & Facilities	
	Information Technology	
	Planning and Research	
	2023 Board Calendar	
	Adjourn (VOTE)	All

The next meeting of the Board is scheduled for November 21, 2023
virtually and in person at 26 Edison Drive, Augusta, Maine



Minutes of the Board of Commissioners Meeting September 19, 2023

MEETING CONVENED

A meeting of the Board of Commissioners for MaineHousing convened on September 19, 2023 at the offices of MaineHousing, 26 Edison Drive, Augusta, Maine and virtually. Notice of the meeting was published on September 8, 2023 in Central Maine newspapers. Notice of Board of Commissioners meetings is also on MaineHousing's website at www.mainehousing.org.

Chair Frank O'Hara called the meeting to order at 9:00 a.m. Director Dan Brennan, Commissioners Elizabeth Dietz, Paul Shepherd, Nancy Harrison, Noël Bonam, and Renee Lewis, all attended in person. State Treasurer Henry Beck and Commissioner Laura Buxbaum attended virtually due to scheduling conflicts. There were no other persons at their locations. There was a quorum present.

PUBLIC ATTENDANCE

Guests and staff present for all or part of the meeting included: Ashley Carson, Chief Counsel; Adam Krea, Senior Director of Finance and Lending; Jamie Johnson, Senior Director of Operations; Lauren Bustard, Senior Director of Homeless Initiatives; Genevieve Soucy, Director of Energy & Housing Services; Scott Thistle, Communications Director; Erik Jorgensen, Senior Director of Government Relations & Communications; Jonny Kurzfeld, Director of Planning & Research; Allison Gallagher, Director of Housing Choice Vouchers; Craig Given, Director of Information Technology; Andrew Thomas, Help Desk Analyst II; Jane Whitley, Director of Human Resources and Facilities; Kelly Watson, Director of Homeless Initiatives; Daniel Drost, Program Training & Quality Control Coordinator; Mark Wiesendanger, Director of Development; Linda Grotton, Director of Audit and Compliance; Tom Cary, Treasurer; Joshua Cole, Data Analyst; Evelyn Goulette, Housing Program Officer; and Gerrylynn Ricker, Paralegal and Note taker.

ADOPT AGENDA

Commissioner Harrison made a motion seconded by Commissioner Lewis to adopt the September 19, 2023 agenda.

APPROVE MINUTES OF AUGUST 15, 2023 MEETING

Commissioner Dietz made a motion seconded by Commissioner Lewis to accept the August 15, 2023 minutes as written.

COMMUNICATIONS AND CONFLICTS

None

CHAIR OF THE BOARD UPDATES

- Chair O'Hara met with Senator Pierce from Falmouth.

DIRECTOR UPDATES

Director Brennan reported issues, his activities and upcoming matters as follows:

- Troy Fullmer who ran our HEAP program has resigned.
- Director Brennan and Senior Director of Finance and Lending, Adam Krea went to North Haven with Hannah Pingree as part of an energy planning session attended by people from

the Governor's Office of Policy Innovation and the Future; the Governor's Energy Office; MaineHousing; some Developers; and some industry experts.

- The workforce cabinet, which is a Governor's cabinet led by DHHS Commissioner Lambrew which is focusing on the Office of New Americans.
- Attended a meeting in Boston with Adam Krea with all six New England Housing Finance agencies. Three Directors, including Director Brennan, sit on the Board of the Federal Home Loan Bank of Boston.
- Attended the Advisory Committee for the Federal Home Loan Bank.
- Next week is the kick off meeting of the Maine Land Bank Authority. Director Brennan has an *ex officio* position on that Board.
- The Maine Coalition on Aging is having their annual summit next week. Director Brennan serves on a panel on housing.
- The Maine Climate Council is meeting at the end of this week.
- On October 3rd the Housing Committee will be coming here to MaineHousing.
- On October 4th is our Housing Conference in Portland.
- Prior to that on Monday, October 2nd, Director Brennan will be presenting at the National Housing and Rehab Association.
- October 16 and 17 will be the National Council of State Housing Agencies in Boston.
- Director Brennan spoke about the homeless encampment clearing in Portland
- MaineHousing's 2024 budget is being worked on. A draft budget will be proposed at our November meeting with a final approval vote at the December meeting.
- We won 2023 Best Places to Work and this week we received the feedback on the surveys that were submitted by staff.
- Last month Director Brennan reported about Evernorth pulling out of investing in seven projects. Evernorth has reported they are able to proceed with three of the seven projects. The other four projects were able to find another investor so all seven of the projects get done.
- Received a very positive e-mail from Rural Development in Washington regarding granting a security interest in the HAP contract. We are awaiting confirmation, the final language, and an implementation date.
- Regarding our heating assistance program, applications have been taken over the last few months. We are now in the phase of the program where we are waiting for the Federal government to fund the program. We will be able to make the official first payment in the event of a government shutdown.
- The final draft of the Housing Needs study is out. We are doing the final edits and we anticipate rolling it out at the Housing Conference on October 4th.
- We've released two RFP's, the Warming Shelters and the 9% applications for the Rural Affordable Rental Housing program.
- We received \$5 million more in LEAD money from the federal government.
- We've completed the water assistance program; we've exhausted all those Federal funds; we helped over 2,000 households.
- We had our Federal compliance audit. We spent over \$450 million in Federal money last year and every penny was audited and we didn't have a single finding.

HCV ANNUAL PLAN PUBLIC HEARING

Chief Counsel Ashley Carson welcomed the public and explained the public hearing process. She introduced the Commissioners and Housing Choice Voucher Director Allison Gallagher. Allison explained our stakeholder and input process. Notice of this public hearing was published on our

website and in newspapers statewide on Tuesday, August 1, 2023 and sent to the Resident Advisory Board. We also held a virtual meeting on July 19th with the Resident Advisory Board. We will take the comments from today and any comments from the Resident Advisory Board and create a final draft which will be presented to the Board for adoption at the October Board meeting. The comment period goes until the end of the day today. Chief Counsel Carson explained the hearing was being recorded and we will summary any comments that we receive. There being no members of the public participating in the public hearing, the public hearing was adjourned at 9:36 a.m.

LEGISLATIVE OVERVIEW

Senior Director of Government Relations & Communications, Erik Jorgensen gave an overview of this past Legislative session that concluded its first session, both a regular and a special session) on July 25, 2023. Erik explained that this was the most consequential legislative session for housing ever. For the first time, Maine had a designated legislative committee devoted to housing. This committee, which from the start adopted a largely non-partisan stance, received 58 bill referrals that tended to fall across 4 categories: direct support for housing production; supports for people experiencing homelessness and in need of emergency housing; zoning and land use initiatives; and proposals for tenant support and protection. Erik reminded the Commissioners that the second session of the legislature is that the business at hand is generally limited to emergency policies. They will also being doing the carry-overs. Erik then reviewed the various bills included in his overview in the Board packet. He reviewed the status of each bill, what happened to it, and what does it mean. The biggest accomplishment was the \$70 million we got for housing production subsidy.

INFORMATION TECHNOLOGIES PRESENTATION

Director of Information Technology, Craig Given, gave an overview of MaineHousing's Information Technology (IT) department. He started with the Mission Statement which is dedicated to ensuring that all technology systems meet the immediate and future needs of the organizations staff. Their goal is to exceed the expectations of customers by providing courteous, efficient, effective and reliable customer service. They value feedback and comments from staff (both positive and negative) to help them measure performance and improve services. Craig gave an overview of the organizational structure of the department. There are currently seven staff members that report to him. Craig explained that there are three teams that make up the department. The first one is the Help Desk. This is front line and the ones that mostly interact with staff. He reviewed 2023/2024 initiatives. He reviewed the help desk data, tickets created, tickets resolved, and end of week open tickets. Most frequent categories, challenges to timely resolutions, and average resolve time by priority. The second teams is applications / data. This team supports department application needs, which includes everything in the application lifecycle management process. From beginning to end of an application, their responsible for the technology, the reporting and supporting the staff on their use of that system. IT participates in the RFP process, the implementation, and then continue to support it throughout its life. Some of the projects they've been working on already are: The ProLink migration; two smaller applications are AmpliFund which is used for grant management and HotB which is used by our HAF program. We're just staring another major migration of our HEAP and weatherization programs called Ecos. The last team Craig talked about was the Operations and Security team. This is the group that works behind the scenes to make sure that everything works and everything is secure. They are responsible for the networking and telecommunications; we manage a data center here, our internal servers. Our telework environment is really important to make sure that staff has the ability to work from home efficiently and effectively. That leaves two of our biggest initiatives that we are working on and that is single-sign on and Microsoft 365. Other big projects IT is working on is the business continuity plan, disaster recovery plan, and then there is the testing of the business continuity plan and disaster recovery plan.

2024 GOAL SETTING

Director Brennan recapped MaineHousing's 2023 goals and indicated the agency would continue working on those goals in 2024. For 2024, MaineHousing has chosen to focus on climate and energy and internal and external systems. Adam Krea, Genevieve Soucy and Mark Wiesendanger spoke about climate and energy and provided information on new initiatives, standards, and funding. MaineHousing's objective is to implement standards and lead by example to leverage funding and increase efficiency. Jane Whitley, Lauren Bustard, Jamie Johnson, Jonny Kurzfeld and Craig Given spoke about DEIB, communications, LEAN and recruitment of a Business Systems Manager. Jane and Lauren emphasized that recruitment is challenging, but MaineHousing is devoted to casting a wider net and improving the onboarding process for new employees. MaineHousing is also in the process of undergoing an organizational assessment to reevaluate training opportunities, recruitment, onboarding and its mission statement. Jamie spoke about the internal communications group that MaineHousing created and how that has increased awareness throughout the agency. Jamie also addressed process improvement through the LEAN program, which empowers staff to find new and better ways to do things. Craig spoke about MaineHousing's transition to Microsoft 365 and the added capacity for communications. Craig and Jonny also spoke about process improvement with the use of more data, by establishing dashboards, making evidenced based decisions, and trying to break down the silos. The Board will finalize the 2024 goal setting exercise at the October meeting.

ADJOURN

Commissioner Lewis made a motion seconded by Commissioner Harrison to adjourn the meeting. The meeting was adjourned at 12:00 p.m. by unanimous vote of the Board.

Respectfully submitted,

Elizabeth Dietz

Memorandum

To: Daniel E. Brennan, Director

From: Adam S. Krea, Senior Director of Finance and Lending

Date: October 16, 2023

RE: Sole Sourcing for Emergency Procurement

Overview

The 131st Maine State Legislature appropriated \$12 million in the Fiscal Year ending June 30, 2024 General Fund budget to the Emergency Housing Relief Fund at MaineHousing to specifically assist in addressing the emergency housing needs of people experiencing, or at imminent risk of experiencing, homelessness, including asylum seekers in Portland. The directive for this third deposit into the Emergency Housing Relief Fund was to continue to assist people immediately to prevent unsheltered homelessness.

MaineHousing and the Governor's Senior Advisor on Housing Policy are jointly negotiating a number of deals that currently house and provide services for:

- 85 asylum seeking families comprised of 315 individuals at the Saco Comfort Inn, who were placed there by the City of Portland based on a waiting list created in 2022; and
- 85 asylum seeking families comprised of 242 individuals at the South Portland Howard Johnson, who were at risk of unsheltered homelessness upon the expiration of hotel usage on June 30, 2023.

In addition, MaineHousing provided further funding to:

- State Street Church in Portland for an ongoing winter shelter;
- Immigrant Legal Advocacy Project for continued legal assistance for asylum seekers; and
- City of Portland for staffing and training at the Maine Immigrant Rights Coalition shelter.

MaineHousing also released a Request for Proposals for winter warming shelters, which was due on October 13, 2023. Awards are expected within two weeks. Once the remaining funds have been allocated and contracts are finalized, an update will be provided to the Board of Commissioners and the information will be made public.

Allocation Summary

The following table shows the funds allocated as of October 16, 2023:

Amount Allocated	Recipient	Detail
\$ 3,645,291.51	Giri Hotels	Saco Hotel (8/1/2023 through 12/31/2024)
3,600,000.00	Howard Johnson	South Portland Hotel (7/1/2023 through 6/30/2024)
65,000.00	City of South Portland	General Assistance Escrow
135,000.00	City of South Portland	Public Safety Escrow
250,000.00	ILAP	Expansion of \$750,000 contract
11,550.00	ProsperityME	1:1 Meetings with all HoJos families
105,000.00	State Street Church	Additional funding for repairs to make permanent shelter
18,333.00	City of Portland	2 months salary for MIRC shelter overseer/trainer
<u>1,300,000.00</u>	Various TBD by RFP	Winter Warming Shelters (Winter 2023-24)
\$ 9,130,174.51	TOTAL ALLOCATED TO DATE	
\$ 2,869,825.49	Unallocated	

Emergency Situation

As noted, there are hundreds of individuals experiencing, or at risk of imminently experiencing, homelessness in the State of Maine due to the tight housing supply and the continuing flow of new asylum seekers into the City of Portland. The sheer number of people in this situation creates an emergency. MaineHousing’s Procurement Policy, Section II(G) – Sole Source Procurement, allows for procurement of goods or services by soliciting a proposal from only one source if it meets the necessary requirements. Section II(G)(2) lists Emergency or Urgent Need as an exception to normal procurement requirements. If an emergency situation or other urgent need exists and only one known source can provide the required goods or services within the time needed, then sole source procurement is allowed. The impact of delaying these transactions would result in hundreds of individuals being at risk of experiencing homelessness, which is why this constitutes an emergency.

ACKNOWLEDGED & APPROVED

10/16/2023

Date



Daniel Brennan
Director, Maine State Housing Authority

Housing Choice Vouchers Department Memorandum

To: MaineHousing Board of Commissioners

From: Allison Gallagher - Director of HCV Programs

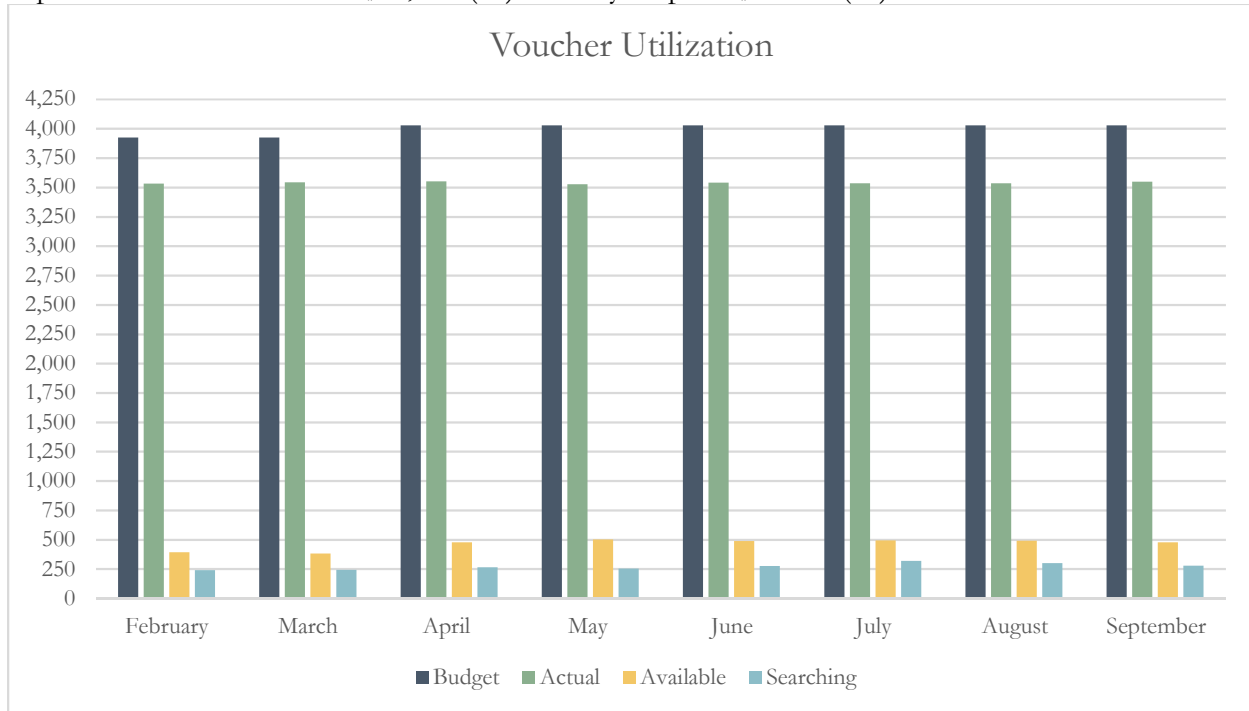
Date: October 24, 2023

Subject: Monthly Report – Housing Choice Voucher Program

Program Updates:

The Annual plan provides a progress report on our program goals and priorities outlined in the HCV 5 Year plan (2020-2025). A public hearing on the draft plan took place at the September board meeting, the Board will be asked to approve the final 2024 HCV PHA plan.

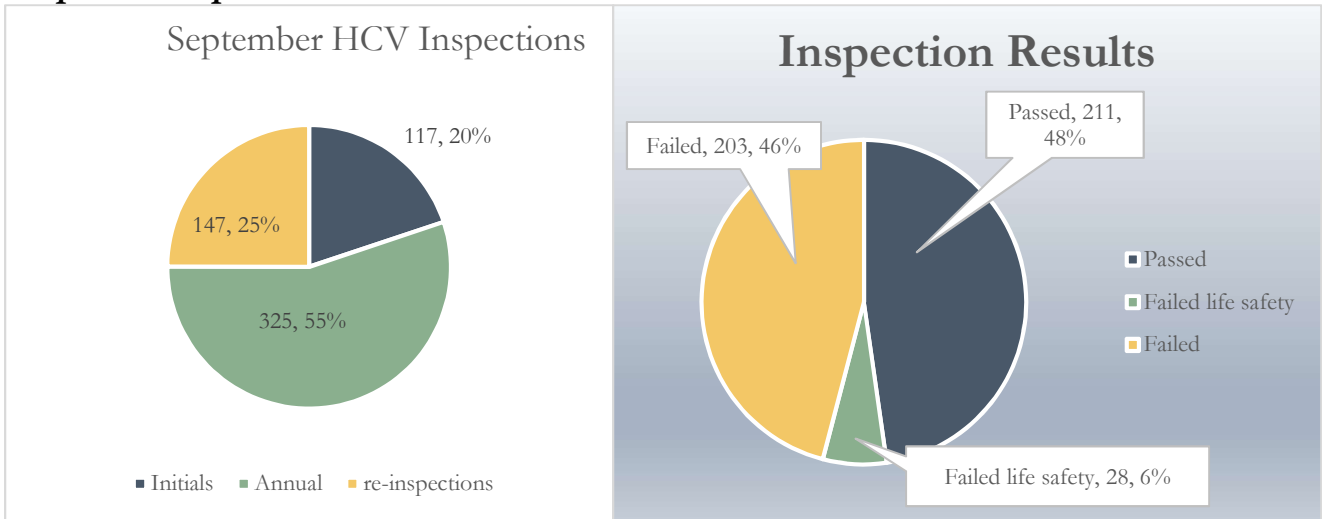
September Lease Incentives-\$44,250 (59) Security Deposit \$44,437 (30)



HCV (homeless initiatives)

	Leased	Searching
STEP	102	44
Home to Stay	214	93
Homeless Priority	286	70
EHV	61	43

Inspection Updates:



Landlord Repair \$172,997/ Damage Program: \$37,585





Housing Choice Vouchers Department Memorandum

To: Board of Commissioners
From: Allison Gallagher
Date: October 24, 2023
Subject: HCV Annual Plan 2024

PROPOSED MOTION:

To adopt the FFY 2024 HCV Annual Plan as attached to the memo.

The Annual plan provides a progress report on our program goals and priorities outlined in the HCV 5 Year plan (2020-2025). The plan has four sections described below:

Section A- PHA Information

Section B

- **Revision of existing PHA Plan Elements**
HUD waivers allowed us to set payment standards at 120% of FMR and allowed us to adjust the payment standard between annual re-certifications. The waivers expire on December 31, 2023 and the Payment standards will be set at the maximum allowed void the waiver, 110% of FMR.
- **New Activities-**Not Applicable
- **Progress Report-**See details on draft of PHA plan
- **Capital Improvements-**Not Applicable
- **Most Recent Fiscal Year Audit-**No findings

Section C

- **Resident Advisory Board (RAB) Comments-**See attachment A
- **Certification by State or Local Officials-**Signed when plan approved by MaineHousing Board of Commissioners
- **Civil Rights Certification-** Signed when plan approved by MaineHousing Board of Commissioners
- **Challenged Elements-**No challenges received

Section D

- **Affirmatively Furthering Fair Housing (AFFH)-**MaineHousing is not required to submit an AFH, therefore we do not need to complete Section D.

Annual Plan Schedule

August 1, 2023	Public Notice of Public Hearing and Public availability of PHA Plan
August 15, 2023	Submit draft plan to Board for review prior to Public Hearing
September 19, 2023	Public Hearing
October 24, 2023	Board adoption

Streamlined Annual PHA Plan (HCV Only PHAs)	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. The Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

A.	PHA Information.																																			
A.1	<p>PHA Name: Maine State Housing Authority PHA Code: ME901 PHA Plan for Fiscal Year Beginning: (MM/YYYY): 01/2024 PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Housing Choice Vouchers (HCVs) 4490 PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below)</p> <table border="1" data-bbox="180 1346 1471 1913"> <thead> <tr> <th>Participating PHAs</th> <th>PHA Code</th> <th>Program(s) in the Consortia</th> <th>Program(s) not in the Consortia</th> <th>No. of Units in Each Program</th> </tr> </thead> <tbody> <tr> <td>Lead HA:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	Lead HA:																													
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B.	Plan Elements.
B.1	<p>Revision of Existing PHA Plan Elements.</p> <p>a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Informal Review and Hearing Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification.</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each element(s): Rent Determination-Requested and approved for a waiver to set payment standards up to 120% of FMR for 2023-waiver expires 12/31/2023</p>
B.2	New Activities. – Not Applicable

B.3

Progress Report.

Provide a description of the PHA's progress in meeting its Mission and Goals described in its 5-Year PHA Plan.

Program Goals:

Improve Housing Quality

- Used administrative fee reserves other state funding to provide landlord repair money and damage reimbursement.

Landlord Repair- \$187,500

Damage Reimbursement-\$62,500

- Hold Landlord forums and PHA inspector forums- virtually
- Require gas detectors in units where gas utility or appliances are used
- Transition from Housing Quality Standards (HQS) to National Standards for the Physical Inspection of Real Estate (NSPIRE)

Expand the Supply of Affordable Housing

- Used administrative fee reserves and other state funding to provide landlord incentives and security deposits.

Landlord Incentives- \$270,000

Security Deposits- \$175,000

- Awarded 12 Project-based vouchers to housing projects for elderly and or disabled families
- Awarded 57 Project-based vouchers to permanent supportive housing projects for homeless and or disabled families
- Added 16 Tenant Protection vouchers to preserve affordable housing in Oxford County
- Added 14 Project Based voucher units to an existing HAP contract for Knox County

Help Maine People Attain Housing Stability

- Ensure EHO and Fair Housing by reviewing requests for reasonable accommodations
- Utilize additional preferences to apply to applicants. The highest preferences are elderly/disabled/families and a preference for US military veterans.
- Set aside 20 Non-Elderly Disabled Vouchers to assist families that participate in the Money-follows-the-person grant through the Maine DHHS Homeward Bound program. (7 currently housed)
- Administer 135 VASH vouchers for veterans (100 currently housed)
- Set aside 32 Non-Elderly Disabled Vouchers to assist families that qualify under the 811 waiver program (30 currently housed)
- Set aside 25 vouchers for a program for working families who may be interested in joining the FSS program (working with Community Action agencies to deliver program throughout the state) (12 currently leased)
- Set aside 115 Family Unification vouchers for families and youth (90 currently leased)
- 60% of available HCV vouchers are set aside for people experiencing homelessness and those fleeing domestic violence
- Administer 5 year mainstream vouchers (approx. 22 available) 16 currently leased
- Administer 99 Emergency Housing Vouchers (EHV) for people experiencing homelessness, previously homeless or at risk and people experiencing domestic violence, stalking or victims of human trafficking (61 currently housed)
- Added priority vouchers for Youth Homeless Demonstration Project (50 vouchers for two years) 12 currently leased
- Added Priority vouchers for disaster assistance (50 vouchers)

Provide Leadership in the Housing Field

- SEMAP score for 2023 high performer
- HCV Director serves as Chair of the Maine Centralized Waiting list Advisory Group

- Coordinate state wide 2 year Housing Navigator pilot by providing funds and tracking outcomes
Work with 9 agencies providing assistance with pre-tenancy, housing search and landlord outreach to assist Maine people with affordable housing options including new Mainers and underserved populations statewide
- Administer and coordinate the Family Self Sufficiency Program, enrolled 12 participants
Participate and lead the statewide Program Coordinating Committee (PCC)
- Work with partners in providing services and outreach to low-income families via Community Action Agencies, homeless shelters, domestic violence agencies, landlord associations, 211 site, statewide conferences, and other Public Housing Authorities
- Coordinate pre-occupancy meetings and yearly updates with owner/managers of Project Based units to monitor vacancies and tenant selection policies
- Continued the Extention the Landlord Incentives provided by MaineHousing to all PHA's in Maine to deliver a consistent resource to landlords and tenants
- Staff attend industry meetings, conferences, and trainings
Attend SAVE trainings to stay current with immigration regulations and documentation to determine US citizenship.

Operational Priorities:

Service

- Provided excellent customer service by hiring staff competent in customer service delivery – hired two Occupancy Specialists and one inspector
- Offer centralized customer service phone line, fax line and email address for applicants, tenants and partners
- Utilize a Maine Centralized Waitlist for applicants
- Color coded recertification packets and landlord packets to ensure information provided is complete. This allows for efficient processing of tenant and landlord information.
- Exploring virtual options for conducting HCV briefings and to offer participants the option to complete their annual certification online.

People

- Provided staff and contractors with excellent tools to enable service (software, training, education and technical assistance) including updated program software to the latest version offered from our vendor.
- Process and track certifications through a shared work model

Financial Capacity

- Access state funds to offer landlord incentives statewide
- Monitor utilization using HUD's Two Year Tool
- Request Blended Administrative fee to serve tenants statewide, approved for 2023.

Resource Optimization

- Tenant files are scanned and saved electronically
- Utilize technology to track work flow
- Adding IOS functionality to optimize inspection process, this will assist the inspection team in conducting more inspections each day.

B.4	Capital Improvements. – Not Applicable	
B.5	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>	
C. Other Document and/or Certification Requirements.		
C.1	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> <ul style="list-style-type: none"> Attached Summary of RAB questionnaire responses 	
C.2	<p>Certification by State or Local Officials.</p> <p>Form HUD-50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>	
C.3	<p>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.</p> <p>Form HUD-50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>	
C.4	<p>Challenged Elements. If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA’s response to the public.</p> <p>(a) Did the public challenge any elements of the Plan?</p> <p>Y N <input type="checkbox"/></p> <p>If yes, include Challenged Elements.</p>	
D. Affirmatively Furthering Fair Housing (AFFH).		
D.1	<p>Affirmatively Furthering Fair Housing (AFFH).</p> <p>Provide a statement of the PHA’s strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.</p> <table border="1" data-bbox="180 1528 1451 1570"> <tr> <td>Fair Housing Goal:</td> </tr> </table>	Fair Housing Goal:
Fair Housing Goal:		

Describe fair housing strategies and actions to achieve the goal

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV-Only PHAs

A. PHA Information. All PHAs must complete this section. (24 CFR §903.4)

A.1 Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **Number of Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Plan Elements. All PHAs must complete this section. ([24 CFR §903.11\(c\)\(3\)](#))

B.1 Revision of Existing PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

Statement of Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA and other families who are on the Section 8 tenant-based assistance waiting lists. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income); (ii) elderly families (iii) households with individuals with disabilities, and households of various races and ethnic groups residing in the jurisdiction or on the public housing and Section 8 tenant-based assistance waiting lists. The statement of housing needs shall be based on information provided by the applicable Consolidated Plan, information provided by HUD, and generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Once the PHA has submitted an Assessment of Fair Housing (AFH), which includes an assessment of disproportionate housing needs in accordance with 24 CFR 5.154(d)(2)(iv), information on households with individuals with disabilities and households of various races and ethnic groups residing in the jurisdiction or on the waiting lists no longer needs to be included in the Statement of Housing Needs and Strategy for Addressing Housing Needs. (24 CFR § 903.7(a)).

The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. (24 CFR §903.7(a)(2)(i)) Provide a description of the ways in which the PHA intends, to the maximum extent practicable, to address those housing needs in the upcoming year and the PHA’s reasons for choosing its strategy. (24 CFR §903.7(a)(2)(ii))

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. (24 CFR §903.7(b))

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. (24 CFR §903.7(c))

Rent Determination. A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. (24 CFR §903.7(d))

Operation and Management. A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. (24 CFR §903.7(e)).

Informal Review and Hearing Procedures. A description of the informal hearing and review procedures that the PHA makes available to its applicants. (24 CFR §903.7(f))

Homeownership Programs. A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. (24 CFR §903.7(k))

Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements. A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA’s partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA’s partnerships with other entities, and activities subject to Section 3 of the Housing and Community Development Act of 1968 (24 CFR Part 135) and under requirements for the Family Self-Sufficiency Program and others. Include the program’s size (including required and actual size of the FSS program) and means of allocating assistance to households. (24 CFR §903.7(l)(i)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. (24 CFR §903.7(l)(iii)).

Substantial Deviation. PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

Significant Amendment/Modification. PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan.

If any boxes are marked “yes”, describe the revision(s) to those element(s) in the space provided.

B.2 New Activities. This section refers to new capital activities which is not applicable for HCV-Only PHAs.

B.3 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.11(c)(3), 24 CFR §903.7(r)(1))

B.4 Capital Improvements. This section refers to PHAs that receive funding from the Capital Fund Program (CFP) which is not applicable for HCV-Only PHAs

B.5 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark “yes” and describe those findings in the space provided. (24 CFR §903.7(p))

C. Other Document and/or Certification Requirements.

C.1 Resident Advisory Board (RAB) comments. If the RAB had comments on the annual plan, mark “yes,” submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA’s decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

C.2 Certification by State of Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

C.3 Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Provide a certification that the following plan elements have been revised, provided to the RAB for comment before implementation, approved by the PHA board, and made available for review and inspection by the public. This requirement is satisfied by completing and submitting form HUD-50077 ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed*. Form HUD-50077-ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed* must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the certification requirement to affirmatively further fair housing if the PHA fulfills the requirements of §§ 903.7(o)(1) and 903.15(d) and: (i) examines its programs or proposed programs; (ii) identifies any fair housing issues and contributing factors within those programs, in accordance with 24 CFR 5.154; or 24 CFR 5.160(a)(3) as applicable (iii) specifies actions and strategies designed to address contributing factors, related fair housing issues, and goals in the applicable Assessment of Fair Housing consistent with 24 CFR 5.154 in a reasonable manner in view of the resources available; (iv) works with jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; (v) operates programs in a manner consistent with any applicable consolidated plan under 24 CFR part 91, and with any order or agreement, to comply with the authorities specified in paragraph (o)(1) of this section; (vi) complies with any contribution or consultation requirement with respect to any applicable AFH, in accordance with 24 CFR 5.150 through 5.180; (vii) maintains records reflecting these analyses, actions, and the results of these actions; and (viii) takes steps acceptable to HUD to remedy known fair housing or civil rights violations. impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o)).

C.4 Challenged Elements. If any element of the Annual PHA Plan or 5-Year PHA Plan is challenged, a PHA must include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

D. Affirmatively Furthering Fair Housing (AFFH).

D.1 Affirmatively Furthering Fair Housing. The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) Strategies and actions must affirmatively further fair housing" Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D., nevertheless, the PHA will address its obligation to affirmatively further fair housing in part by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 6.02 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Attachment A

2024 Resident Advisory Board Narrative Questions and Comments

Currently, the Resident Advisory Board has 4 members. We are trying to increase participation by reaching out by phone, sending questionnaires and following up with an email to current program participants. A copy of the PHA plan and a questionnaire was sent by mail and email on July 11, 2023. Included was a virtual invitation to join us for a discussion about the PHA plan and the opportunity to elaborate on the items included on the questionnaire.

MaineHousing held the Resident Advisory Board virtual meeting on July 19, 2023 at 2pm. There were no members in attendance and residents did not make any recommendations for change to the programs, we received 7 responses on their preferences in communicating with MaineHousing.

Comments

1. Would you be willing and have the technology to submit your annual recertification online?
 - a. All answered yes except to one resident who stated they did not have the internet and it would be too confusing for them.
2. How would you have preferred your briefing to be in person, by video or over the phone?
 - a. The preference was by phone or video
3. What is your preferred form of communication? Email, phone, text or mail
 - a. Email and or text were the preferred method of communication
4. Would you be interested in being a member of the Resident Advisory Board?
 - a. All responded yes

**Certification by State or Local
 Official of PHA Plans Consistency
 with the Consolidated Plan or
 State Consolidated Plan
 (All PHAs)**

U. S Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2024

**Certification by State or Local Official of PHA Plans
 Consistency with the Consolidated Plan or State Consolidated Plan**

I, Daniel Brennan the Director certify that the 5-Year PHA Plan for fiscal years 2020-2025 and/or Annual PHA Plan for fiscal year 2024 of the Maine State Housing Authority is consistent with the Consolidated Plan or State Consolidated Plan including the Analysis of Impediments (AI) to Fair Housing Choice or Assessment of Fair Housing (AFH) as applicable to the State of Maine pursuant to 24 CFR Part 91 and 24 CFR §§ 903.7(o)(3) and 903.15.

Provide a description of how the PHA Plan’s contents are consistent with the Consolidated Plan or State Consolidated Plan.

MaineHousing offers a preference on its waitlist for families of 2 or more and elderly or disabled families consistent with the needs identified in the consolidated plan. The HCV supports the overarching objectives identified in the plan of providing decent affordable housing, creating suitable living environments and creating economic opportunities. We have project based 40 vouchers in projects that were financed through the Housing Trust Fund and allocate 60% of our available vouchers for people experiencing homelessness. Partnering with homeless providers for referrals and housing navigation.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official: Daniel Brennan	Title: Director
Signature:	Date:

The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality. This information is collected to ensure consistency with the consolidated plan or state consolidated plan.

Public reporting burden for this information collection is estimated to average 0.16 hours per year per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Certifications of Compliance with
PHA Plan and Related Regulations
(Standard, Troubled, HCV-Only, and
High Performer PHAs)**

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 3/31/2024

**PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations
including PHA Plan Elements that Have Changed**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the ___ 5-Year and/or _x_ Annual PHA Plan, hereinafter referred to as "the Plan", of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the PHA fiscal year beginning _Jan 2023, in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located (24 CFR § 91.2).
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments (AI) to Fair Housing Choice, or Assessment of Fair Housing (AFH) when applicable, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan (24 CFR §§ 91.2, 91.225, 91.325, and 91.425).
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), title II of the Americans with Disabilities Act (42 U.S.C. 12101 et seq.), and other applicable civil rights requirements and that it will affirmatively further fair housing in the administration of the program. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with the Fair Housing Act, title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, title II of the Americans with Disabilities Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of the program.
7. The PHA will affirmatively further fair housing, which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR § 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR § 903.7(o)(3). The PHA will fulfill the requirements at 24 CFR § 903.7(o) and 24 CFR § 903.15(d). Until such time as the PHA is required to submit an AFH, the PHA will fulfill the requirements at 24 CFR § 903.7(o) promulgated prior to August 17, 2015, which means that it examines its programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintains records reflecting these analyses and actions.
8. For PHA Plans that include a policy for site-based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2011-65);

- The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing; and
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR 903.7(o)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
 10. In accordance with 24 CFR § 5.105(a)(2), HUD's Equal Access Rule, the PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
 11. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
 12. The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
 13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
 14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
 15. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
 16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
 17. The PHA will keep records in accordance with 2 CFR 200.333 and facilitate an effective audit to determine compliance with program requirements.
 18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
 19. The PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Financial Assistance, including but not limited to submitting the assurances required under 24 CFR §§ 1.5, 3.115, 8.50, and 107.25 by submitting an SF-424, including the required assurances in SF-424B or D, as applicable.
 20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
 21. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
 22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Maine State Housing Authority
PHA Name

ME 901
PHA Number/HA Code

Annual PHA Plan for Fiscal Year 2024

5-Year PHA Plan for Fiscal Years 20__ - 20__

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Executive Director		Name Board Chairman	
Daniel Brennan		Frank O'Hara	
Signature	Date	Signature	Date

The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality. This information is collected to ensure compliance with PHA Plan, Civil Rights, and related laws and regulations including PHA plan elements that have changed.

Public reporting burden for this information collection is estimated to average 0.16 hours per year per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Energy & Housing Services Department Memorandum

To: Maine State Housing Authority Board of Commissioners

From: Amanda Roy, Manager of Weatherization

Date: October 24, 2022

Subject: Intent to Proceed with 2024 Maine DOE WAP Application and State Plan

Intent to Administer

As part of the annual application process for administering the Department of Energy Weatherization Assistance Program (WAP), MaineHousing (Grantee) must submit to the Department of Energy (DOE) a State Plan application for program year 2024 (beginning 4/1/2024 – 3/31/2025). MaineHousing's intent is to continue to administer a quality DOE WAP program by partnering with local Community Action Agencies (CAA or Sub-Grantee). The WAP program is designed to provide quality weatherization services to Maine's aging housing stock. As a result, making energy efficiency improvements and reduce the households energy consumption and cost of heating their homes, as well as install measures to eliminate health and safety hazards. Priority will be given to households that are HEAP eligible with a high energy burden that include a household member who is elderly, a person with disabilities or a child under 6 years old.

State Plan Submission

MaineHousing's State Plan will provide information as to how the Grantee plans to utilize the funding provided and conduct our weatherization program in accordance with DOE guidance. DOE will notify the States of funding levels through a formal notice at a later time but has asked States to complete their current applications using the same funding that was granted in 2023.

MaineHousing's 2023 DOE allocation was \$3,205,253, any remaining 2023 funds will be carried over to the 2023 program per DOE notification (memo 079). MaineHousing anticipates allocating approximately \$3,254,416 of the 2024 award to the Sub-Grantees for program operations and administration as well as training & technical assistance. MaineHousing will retain the balance for our administrative and training & technical assistance costs.

The application consist of the following sections:

- Budget Summary – detail of how the grant funds will be used by the Grantee and the Sub-Grantee
- Annual File – details changes to the program from the previous year's application.
- Master File – a detailed plan of Maine's Weatherization Assistance Program (WAP) with descriptions of how Maine will meet the guidelines/requirements of the Department of Energy. This includes, but is not limited to MaineHousing and CAA weatherization staff responsibilities, client eligibility, monitoring activities; audit procedures and tools; MaineHousing policies; and how MaineHousing and CAA's will adhere to DOE Health and Safety requirements.

Attached for your reference is the draft 2024 DOE Master File. The following program changes are being planned for 2024:

- Eligible Dwellings: In addition to a stationary manufactured home and stick built single family houses (1-4 units), MaineHousing will expand an eligible dwelling to include multi-family buildings (5 plus units).
- Added: MaineHousing intends to apply to DOE to use regional priority lists developed for Region 3 for site-built homes, manufactured homes and low-rise multi-family projects.
- Energy Audit System: MaineHousing is in the process requesting DOE to approve the use of their ORNL's MulTEA energy audit system.
- Various format and grammatical corrections.

Rule

MaineHousing will not be making any changes to the current Rule, chapter 25.

Public Hearing

A public hearing allowing interested parties an opportunity to comment on the State Plan will be held on Tuesday, November 21, 2022 at 9:30 am.

U.S. Department of Energy
WEATHERIZATION ANNUAL FILE WORKSHEET
(Grant Number: _____,) State: ME, Program Year: 2024

IV.1 Subgrantees

Subgrantee	City	Tentative	
		Funding	Units
Aroostook County Action Program	Presque Isle	\$575,528.00	50
Community Concepts, Inc.	South Paris	\$969,871.00	86
Downeast Community Partners	Ellsworth	\$448,556.00	37
Kennebec Valley Community Action Program	Waterville	\$869,755.00	77
Penquis Community Action Program	Bangor	\$877,508.00	79
Waldo Community Action Partners	Belfast	\$223,474.00	13
Western Maine Community Action	East Wilton	\$223,472.00	14
York County Community Action Corporation	Sanford	\$422,363.00	34
Total:		\$4,610,527.00	390

IV.2 WAP Production Schedule

Weatherization Plans	Units
Total Units (excluding reweatherized units)	<u>390</u>
Reweatherized Units	0

Average Unit Costs, Units subject to DOE Project Rules		
VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$0.00
B	Total Units Weatherized	390
C	Total Units Reweatherized	00
D	Total Dwelling Units to be Weatherized and Reweatherized (B + C)	390
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
AVERAGE COST PER DWELLING UNIT (DOE RULES)		
F	Total Funds for Program Operations	\$3,096,657.00
G	Total Dwelling Units to be Weatherized and Reweatherized (from line D)	390
H	Average Program Operations Costs per Unit (F divided by G)	\$7,940
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$7,940

IV.3 Energy Savings

U.S. Department of Energy
WEATHERIZATION ANNUAL FILE WORKSHEET
(Grant Number: _____,) State: **ME**, Program Year: **2024**

Method used to calculate energy savings: MaineHousing will be using the DOE WAP algorithm to calculate energy savings.	Other (describe below)
Estimated energy savings (Mbtus):	<u>\$12,013</u>
This year estimated energy savings:	\$12,013
Prior year estimated energy savings:	\$7,823

IV.4 DOE-Funded Leveraging Activities

See Maine 2022-2024 DOE State Plan Master File.

IV.5 Policy Advisory Council Members

Suzanne MacDonald, Chair	Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com
Joan Welsh Glenn Pole , Vice Chair	Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com
Glenn Poole Kenneth Colburn , Treasurer	Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com
Kenneth Colburn Joan Welsh , Secretary	Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com
Heather Furth	Type of organization: Efficiency Maine Trust, Board of Directors Phone: (207) 376-2463 Email: efficiency@efficiencymaine.com
Mark Isaacson	Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com
Christopher Rauscher	Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com
Daniel Brennan (Maine State Housing Authority Ex Officio)	Type of organization: Unit of State Government, Maine State Housing Authority Phone: (207) 626•4600 Email: dbrennan@mainehousing.org

U.S. Department of Energy
WEATHERIZATION ANNUAL FILE WORKSHEET
(Grant Number: _____,) State: **ME**, Program Year: **2024**

Dan Burgess (Governor's Energy Office Ex Officio)	Type of organization: Unit of State Government, Governor's Energy Office Phone: (207) 624-7446 Email: daniel.burgess@maine.gov
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IV.6 State Plan Hearings (Note: attach notes and transcripts to the SF-424)

Date Held	Newspapers that publicized the hearings and the dates the notice ran
November 15 21 , 2023	<p><i>Notice of Public Hearing was published on November 7, 2023 in the following daily newspapers:</i></p> <p><i>Kennebec Journal</i></p> <p><i>Waterville Morning Sentinel</i></p> <p><i>Brunswick Times Record</i></p> <p><i>Portland Press Herald</i></p> <p><i>Bangor Daily News</i></p> <p><i>The public hearing transcript will be sent to the DOE Regional Office as part of Maine's 2023 DOE Application.</i></p>

IV.7 Miscellaneous

Genevieve Soucy is named as MaineHousing's Recipient Business Officer and is the representative authorized to act on behalf of MaineHousing to negotiate the award. All DOE official correspondence related to the award will be addressed to the Recipient Business Officer.

Genevieve Soucy is named as MaineHousing's Recipient Principal Investigator and is the technical representative authorized to act on behalf of MaineHousing as project manager for the award. The Recipient Principal Investigator is the prime point of contact for the DOE Project Officer during the project period of performance and will receive a copy of all DOE official correspondence related to the award.

Program Partners:

Grantee WAP management staffs attend regularly scheduled monthly meetings with Subgrantee Housing Directors. These meetings provide ongoing opportunities for Subgrantees to provide input regarding WAP implementation, including suggestions for changes and content in the DOE Annual State Plan.

Weatherization Readiness Funds (WRF):

Maine State has the fifth oldest housing stock in the nation. Many Maine homes are older than 1940 and are in need of repairs before any weatherization measures can be installed. MaineHousing will follow DOE guidance in 23-4 and use WRF funds to provide necessary repairs (e.g., Health and Safety issues, structural) in dwellings that have been deferred from receiving weatherization services. MaineHousing's Subgrantees maintain a list of homes deferred for weatherization services that will benefit from the WRF funding.

U.S. Department of Energy
WEATHERIZATION ANNUAL FILE WORKSHEET
(Grant Number: _____,) State: **ME**, Program Year: **2024**

Distribution of WRF Funds: MaineHousing will distribute the funds among each of our eight Subgrantees. The Subgrantees will identify projects from their deferral tracking list to complete repairs using WRF funding.

WRF Household Prioritization: MaineHousing will require Subgrantees to use the same prioritization method used to determine priority for weatherization services. Priority for weatherization services is identified through HEAT Enterprise based on household composition, annual energy consumption usage for heat (cost), and poverty level. Households with an elderly person, a person with disabilities, and/or a child younger than six (6) years of age will be given priority for WRF and weatherization services.

Restrictions related to the funding: WRF funding will be restricted to eligible **site-built** single family and manufactured housing. CAA must certify that home will receive WAP services after the WRF tasks have been completed. Projects that receive WRF must also be weatherized using DOE WAP funding. The DOE funded weatherization job must be completed within 6-9 months of the WRF job completion.

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Grantee Monitoring of WRF activities: The Grantee will work closely with the Subgrantee personnel to ensure there is quality workmanship, financial systems and procedures in place. Grantee Technical staff will inspect each Subgrantee's completed work to verify compliance with the Installation Standards set forth by DOE SWS and Maine State Building codes. The Grantee will monitor/inspect ~~100~~ a minimum of 10% of the WRF completed units.

The Grantee will track the funds for each building and unit including the measures/repairs and costs associated with the WRF completion through HEAT Enterprise. The funds will be monitored as part of the annual monitoring of the Subgrantee to ensure funds are expended in accordance with this plan and to ensure the end result is a completed weatherization unit.

Average Cost per Unit (WRF ACPU): The WRF ACPU is set at \$15,000.00. However, MaineHousing will consider additional cost waivers on a case-by-case basis for projects that exceed the ACPU limit.

Work in Progress:

Grantee intends to apply to DOE for use of the regional priority lists. Maine is located in Region 3 (cold) and intends to apply to DOE to use all three established regional priority lists: single-family site-built homes, manufactured homes, and low-rise multifamily projects. The Grantee will work with the DOE Technical Project Officer to apply for and implement these lists for the Maine WAP network.

.Policy Advisory Council: 2009 Public Law Chapter 372, An Act Regarding Maine's Energy Future, repeals 5 MRSA §3327, which established the Energy Resources Council, and places oversight of energy related programs under the jurisdiction of the Efficiency Maine Trust as of July 1, 2010. The new law requires that "after July 1, 2010, the Maine State Housing Authority, prior to applying for federal funds on behalf of the State...for weatherization, energy conservation and fuel assistance pursuant to the Weatherization Assistance for Low Income Persons Program administered through the United States Department of Energy and the Low Income Home Energy Assistance Program administered through the United States Department of Health and Human Services, shall submit to the board for its review and input the authority's implementation plans for the use of such funds. The plans must provide for coordination by the Maine State Housing Authority in its use of such funds with the programs administered by the trust.... The Maine State Housing Authority shall include in its plans any recommendations of the board to the extent the recommendations are consistent with the applicable federal guidelines governing the use of the funds." The Efficiency Maine Trust is controlled by a board of nine voting members. The statutory membership includes the Director of the Maine State Housing Authority, the Director of the Governor's Office of Energy Independence and Security and seven members appointed by the Governor that adequately represent the interests of commercial energy consumers, industrial energy consumers, small business energy consumers, residential energy consumers, and low income energy consumers. The body as a whole must include persons with knowledge and experience in financial matters, consumer advocacy, conservation fund programs, carbon reduction programs, and climate change policy.

The Efficiency Maine Trust reviewed MaineHousing's draft plans for the ~~2022-2023~~ DOE WAP program at its October ~~2625, 2022-~~ 2023 meeting.

**U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
STATE PLAN MASTER FILE**

(Grant Number _____, State: ME, Program Year: 2024)

V.1	Eligibility.....	4
	V.1.1 Approach to Determining Client Eligibility	4
	1. Provide a description of the definition of income used to determine eligibility.....	4
	2. Describe what household eligibility basis will be used in the Program	4
	3. Describe the process for ensuring qualified aliens are eligible for weatherization benefits....	4
	V.1.2 Approach to Determining Building Eligibility	4
	1. Procedure to determine that units weatherized have eligibility documentation	4
	2. Describe re-weatherization compliance.....	5
	3. Describe what structures are eligible for weatherization	5
	4. Describe how rental units/multifamily buildings will be addressed.....	6
	5. Describe the deferral process	7
	V.1.3 Definition of Children	7
	V.1.4 Approach to Tribal Organizations.....	7
V.2	Selection of Areas to Be Served	7
V.3	Priorities	8
V.4	Climatic Conditions	8
V.5	Type of Weatherization Work to Be Done.....	9
	V.5.1 Technical Guides and Materials.....	9
	V.5.2 Energy Audit Procedures.....	10
	V.5.3 Final Inspection	11
V.6	Weatherization Analysis of Effectiveness	12
V.7	Health and Safety	12
V.8	Program Management	15
	V.8.1 Overview and Organization	15
	V.8.2 Administrative Expenditure Limits.....	17
	V.8.3 Monitoring Activities	17
	V.8.4 Training and Technical Assistance Approach and Activities	21
V.9	Energy Crisis and Disaster Plan.....	23

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

1. Provide a description of the definition of income used to determine eligibility

Definition of Low Income. Grantee has chosen to use the definition of household income, as described in the Home Energy Assistance Program Rule. Incomes calculated using this definition are adjusted as needed to align with WPN 23-3 PY ~~2023-2023~~ *Poverty Income Guidelines and Definition of Income*¹, WPN 22-5 *Expansion of Client Eligibility In the Weatherization Assistance Program* and any related DOE guidance thereafter, to determine household energy burden and eligibility.

Commented [BF2]: PY24 guidelines to come out in Jan/Feb2024

Commented [BF3R2]: See WAP Memo 109

Income Verification. Subgrantees obtain required income documentation and verify income eligibility as part of the intake process to certify households eligible to receive fuel assistance benefits from the Department of Health and Human Services' Low-Income Home Energy Assistance Program (HEAP). If a household member receives either TANF or SNAP assistance, the household will have Categorical Income Eligibility for HEAP, as the Maine Department of Health and Human Services has already vetted the household income. Only those households who have Categorical Income Eligibility or whose income has been verified within the previous 12 months to be at or below 200 percent poverty level are considered for weatherization services. Subgrantees will re-verify income eligibility prior to commencing an energy audit for households whose application eligibility certification has expired.

Subgrantees are required to ensure client eligibility during the period in which services are delivered. Clients that do not qualify for HEAP, but are still at or below 200% of poverty or for those that choose not to apply for HEAP, but still want weatherization services will be required to complete a DOE Weatherization Assistance Program only application and provide all required documentation to determine Program eligibility.

2. Describe what household eligibility basis will be used in the Program

Grantee has chosen the following definition of low income for the basis of eligibility for the Weatherization Assistance Program (WAP): Low income means that income in relation to household/family size is at or below 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget.

3. Describe the process for ensuring qualified aliens are eligible for weatherization benefits

A household may include:

- a. An alien who has obtained the status of an alien lawfully admitted for temporary residence under Section 210 of the Immigration and Nationality Act by approval of an application and are categorized as Special Agricultural Workers (SAWS) who perform seasonal agricultural work during a specified period of time; or
- b. An alien who has obtained the status of an alien lawfully admitted for temporary residence under Section 245A and 210A of the Immigration and Nationality Act by approval of an application and who is aged, blind and/or disabled as defined in Section 1414 (a)(1) of the Social Security Act (Public Law 74271); or (c) Cuban or Haitian aliens as defined in Public Law 96422, Section 50(e).

Households are considered eligible if alien members have a "Green Card" or show permanent residence (I-551 Alien Registration Card, Passport, I-688 Employment Authorization Card, I-766 Employment Authorization Document, I-94 with R-1 or R-2 status designation).

V.1.2 Approach to Determining Building Eligibility

1. Procedure to determine that units weatherized have eligibility documentation

Eligible Dwellings: Household members must meet one of the following eligibility criteria to be considered for weatherization services and to assure compliance with the requirements of 10 CFR 440.22:

- a. A dwelling unit shall be eligible for weatherization assistance if it is occupied by a household who has Categorical Income Eligibility or whose income is at or below 200 percent of the poverty level and/or meets the eligibility for assistance under the Low Income Home Energy Assistance Act of 1981 as

¹The final version of WPN 22-1, PY 2022 is expected to be released by DOE on November 30, 2020

determined in accordance with criteria established by the Director of the Office of Management and Budget; or

b. Prior to weatherizing entire rental buildings, a specific eligibility test will be applied. Not less than 66 percent (or 50 percent in the case of rental dwellings of two (2) or four (4) dwelling units), must be eligible or must become eligible dwelling units within 180 days under a federal, state or local program for rehabilitating the building or making similar improvements to the building.

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2. Multi-family eligibility – (WPN) 22-5 expanded WAP’s categorical income eligibility to include HUD means-tested programs’ income qualifications at or below 80% of Area Median Income (AMI). WPN 22-5 was accompanied by three spreadsheets listing HUD properties which were categorically or potentially income eligible.

3. Weatherization Memorandum 109: Eligible Buildings - U.S. Department of Housing and Urban Development (HUD) Lists (energy.gov)

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Eligibility Documentation. All subgrantee files and records contain authorized HEAP applications with verified income documentation (home owners and renters), as well as WAP *Consent Form, Proof of Ownership and Landlord/Tenant Agreement* (if applicable). All documents are available for review by state or federal staff as needed. Documentation of categorical eligibility will be obtained and kept in client file.

Undue or Excessive Enhancements. Grantee conducts desk reviews on weatherization jobs to confirm that no undue or excessive enhancements occurred to the value of the dwelling unit. If costs are questionable, an “Open Item Report” is issued to the Subgrantee. Dialog and documentation determines whether the cost is allowable. If not, it is removed from the DOE billing and the subgrantee uses non-WAP funding.

2.4. Describe re-weatherization compliance

The Consolidation Appropriations Act of 2021 allows Grantee to weatherize units 15 years after the date of such previous weatherization was completed to receive further financial assistance for weatherization utilizing DOE and other federal program funds. Grantee requires that these units be reported separately. Each dwelling unit served must receive a completely new energy audit that takes into account any previous energy conservation improvements to the dwelling. Subgrantees are allowed to count these homes as completions for the purposes of compliance with the per-home expenditure limit in 10 CFR 440.18.

The Maine State Housing Authority (Grantee) maintains available data of previously weatherized homes and assists Subgrantees in determining compliance with the re-weatherization requirements. For weatherization jobs completed in the prior 15 years Grantee and Subgrantee rely primarily on records maintained by the Subgrantee. Weatherization jobs completed between 1998-2008 are tracked in Grantee’s Central Heating Improvement Program and Weatherization Jobs SIR database. Weatherization jobs completed 2009-September 2016 are tracked in Grantee’s ECOS database. Weatherization jobs completed October 2016 to present are tracked in Hancock Software’s web-based energy audit software system referred to as HEAT Enterprise (HEAT Enterprise). Multi-family projects will be tracked in the DOE MultiTEA database upon DOE’s approval for the use of the database.

3.5. Describe what structures are eligible for weatherization

Grantee defines an eligible structure as a dwelling unit, including a stationary manufactured home, stick built house, and multi-family buildings. An eligible dwelling does not include a camper, or other structures designed and constructed to provide temporary living quarters. All dwelling units will have a permanent physical address documented by a current tax bill or confirmation from a municipal official.

A dwelling unit is eligible for weatherization assistance if it is occupied by a family who has Categorical Income Eligibility or whose income is at or below 200 percent of the poverty level and/or is eligible for assistance under the Low-Income Home Energy Assistance Program.

Non-traditional dwelling units such as shelters and units with a business component will be discussed with DOE prior to commencement of the project.

Maine WAP includes the following components:

a. An individual audit for each dwelling unit;

- b. Energy savings calculations based on the American Society of Heating and Refrigerating and Air Conditioning Engineers (ASHRAE) fundamentals; and
- c. A comprehensive health and safety protocol. Prior to initiating any weatherization activities, Subgrantees are required to evaluate the physical condition of the home, the mechanical systems, and building tightness.

If the structure fails to meet minimum standards as to Structural Integrity and Health & Safety, weatherization must be deferred until the issue is resolved. See V.1.2.5 Deferral Process and V.5.2 Energy Audit Procedures.

Grantee complies with its [State Historic Preservation Office \(SHPO\) Programmatic Agreement \(PA\)](#) to satisfy DOE's Section 106 requirement for all structures eligible for weatherization.

[Grantee complies with DOE WAP Memorandum 110, Historic Preservation Review Process for Utilizing Weatherization Funds on Tribal Lands, to follow the written procedures of Historic Preservation on Tribal land.](#)

4.6. Describe how rental units/multifamily buildings will be addressed

Grantee intends to weatherize rental units/multifamily buildings with the DOE Grant Funds.

Rental units will be eligible for WAP provided that the Subgrantee has obtained written authorization from landlords/building owners and not less than 66% (50% for duplexes and four-unit buildings, and certain eligible types of multi-family buildings) of the dwelling units in the building are: (i) eligible dwelling units, or (ii) will become eligible dwelling units within 180 days under a Federal, State or local government program for rehabilitating the building or making similar improvements.

The Subgrantee is required to ensure that the benefits of the weatherization assistance on rental units accrue primarily to the low income tenants residing in the units and that no undue or excessive enhancement occurs to the value of the rental units. Additionally, the Subgrantee must require that the landlords/building owners execute the *Weatherization Rental Agreement* https://www.mainehousing.org/docs/default-source/ehs-partners-library/maine-weatherization-programs/program-forms/program-forms/rental-agreement-wap-chip10012019.pdf?sfvrsn=2bd3b115_4 Agreement, to ensure that for a period of one (1) year following the weatherization work, the tenants in that rental unit will not be subjected to rent increases unless the increases are demonstrably related to matters other than the weatherization work performed. The *Weatherization Rental Agreement* further requires adherence by the landlords/owners to the requirements of 10 CFR §440.22(b)(3) and §440.22(c)-(e), as laid out in the *Weatherization Assistance Program Guidance*.

If the landlords/owners increase the rent in violation of the *Weatherization Rental Agreement* and the *Weatherization Assistance Program Guidance*, the landlords/owners must repay the full cost of the weatherization assistance. Any dispute as to the circumstances for a rent increase will be reviewed by the Subgrantee or MaineHousing, if requested by the Subgrantee, landlord/owner or tenant.

Grantee will consider using a competitive process to attract a new Subgrantee or Subgrantees to weatherize multifamily units. WAP will be working closely with the DOE Project Officer and the new multifamily Subgrantee(s) to ensure that all DOE approvals and training needs are met. Priority will be given to identifying and providing weatherization assistance to: elderly persons, persons with disabilities, families with children, high residential energy users, and households with high energy burden. Multifamily buildings because of their size and character, may offer an opportunity to meet many of these priorities. When addressing "significant energy improvements" in multifamily dwellings, WAP will contact the DOE Project Officer and refer to the WPN 22-12 Multifamily Weatherization and WPN 22-13 Weatherization of Rental Units.

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Eligible Dwelling Units. Grantee intends to weatherize rental dwelling units occupied by income eligible (low-income) tenant(s), providing a direct benefit to the low-income tenant(s). In the event of 2-4 unit buildings, one of the units may be occupied by the owner. Grantee, consistent with Department of Energy guidance, requires the weatherization of the entire building not just the low-income units.

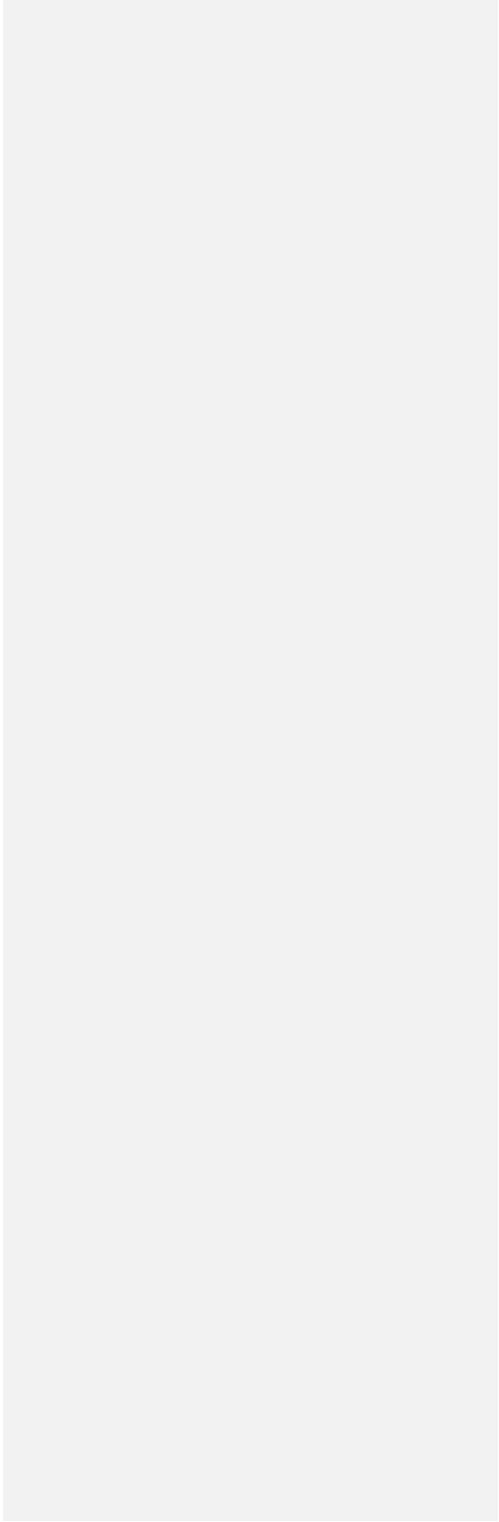
Prioritization. Rental unit buildings will be prioritized similar to single unit buildings: tenants with the highest energy use and highest energy burden (as a percentage of income) will receive priority. DOE funding is used to weatherize multi-family unit buildings provided at least 66 percent of residents in a three (3) unit property and 50 percent in a two (2) or four (4) unit property (determined on a building-by-building basis in a multi-building property) meet WAP income guidelines [or HUD categorical eligibility](#).

Written Permission. Prior to conducting the energy audit, the Subgrantee must verify the ownership of the unit/building and secure landlord's/owner's and tenant's consent, in writing, to proceed with weatherization measures. In addition, the landlord and tenant are required to sign a *Weatherization Rental Agreement* before the Subgrantee can proceed with weatherization. The provisions of this Agreement include:

- a. **Rent Increases:** Secure landlord's/owner's and tenant's signature on a *Weatherization Rental Agreement* that prohibits an increase for twelve (12) months because of any increase in the value of the property due solely to the weatherization work.
- b. **Sale of Property:** If the property is sold within one (1) year of the completion of weatherization work, the owner may be required to reimburse the Grantee for the cost of the weatherization material installed.

Tenant Complaints. Customer survey cards, client phone calls, and client comments during site monitoring are Prepared by MaineHousing Page 8 of 23 2023 DOE State Plan Master File

tracked by Grantee. Grantee technicians, program and management staff engage with clients and Subgrantees as needed to address issues. Closure is documented in applicable Grantee databases.



5.7. Describe the deferral process

Some dwelling conditions or client circumstances may require deferral of weatherization until the issues are resolved. Documentation of all activities in the client's file is required. "Deferral" does not necessarily mean that the home will not receive weatherization services, but that until the conditions are rectified, the weatherization services are temporarily postponed.

Deferral of Services Policy. See Grantee's Weatherization Assistance Program Guidance, Section 6(J) for Grantee's Deferral of Weatherization Services Policy, which provides the guidelines for Subgrantees when a building should be deferred because the building is not appropriate-good-candidate for weatherization.

Deferral Tracking. All deferred jobs, including the reason for deferral, are entered and tracked in an excel spreadsheet developed by DOE and electronically in the appropriate system of record (Heat Enterprise or ORNL's MuTEA when approved).

Deferral Notification: Subgrantee provides a written Notice of Deferral to each deferred client with the reason for deferral. A copy of the Notice of Deferral is retained with the weatherization job in HEAT Enterprise.

Once the applicant notifies the Subgrantee that the deferral reason(s) have been resolved/addressed the applicant will receive priority for WAP providing they still meet WAP eligibility.

Clients have the right to appeal the decision to defer WAP services. They must make this request by contacting the Manager of Housing and Weatherization Services in writing within 30 calendar days of the date the Deferral of Services Notice was signed. The request must include the reason(s) why they don't agree with this decision along with any documentation that will show that the deferral reason was made in error or not accurate.

V.1.3 Definition of Children

Definition of children: younger than six (6) years of age.

V.1.4 Approach to Tribal Organizations

Grantee has five federally recognized Indian Tribes and each of them participate in the HEAP fuel assistance, as well as HEAP and DOE weatherization programs (WAP): Penobscot Indian Nation; Houlton Band of Maliseets; Aroostook Band of Mic Macs; Passamaquoddy Tribe, Pleasant Point; and Passamaquoddy Tribe, Indian Township. Grantee and the Indian Tribes maintain annual Memorandums of Understanding that outline the disbursement terms of WAP funds for these Tribal Entities.

The low-income members of an Indian tribe shall receive benefits equivalent to the assistance provided to other low-income persons within Maine. Grantee allocates funds to five (5) tribal organizations based upon the number of eligible HEAP clients. This has resulted in three percent of Grantee's DOE grant award being allocated to the five (5) tribes. Actual administration of the weatherization programs within tribal organizations' land is provided by Subgrantees that service areas include Counties in which Indian Tribes are located.

Process: Tribal organizations process HEAP fuel assistance applications for tribal members and verify eligibility for benefits. Subgrantees contact the local tribal organizations to obtain eligible HEAP fuel assistance applications, as well as contact information for tribal members that are at 200% or below poverty guidelines that do not meet HEAP fuel assistance income eligibility or who have not applied for fuel assistance. Upon receipt of the applications/information, audits and weatherization jobs will be scheduled.

V.2 Selection of Areas to Be Served

Selection Method. In the case of areas currently served by a Subgrantee established under Section 222(a)(12) of the Economic Opportunity Act of 1964, as amended, funds available under this program will be granted to that Subgrantee for the same geographic area. Any new or additional Subgrantees shall be selected at a hearing in accordance with 10 CFR Section 440.14(a), as amended, and upon the basis of the criteria set forth in 10 CFR 440.15(a), as amended.

Grantee's WAP serves all counties statewide through eightnine (8) Subgrantees. Each Subgrantee is, in fact, a Community Action Agency or other public or non-profit entity. Grantee intends to expand the Subgrantee Network to add additional non-profit organizations to provide WAP services.

The Grantee ensures that each Subgrantee is selected on the basis of public comment received during a public hearing conducted pursuant to 440.14(a) and other appropriate findings regarding:

- a. The Subgrantee's experience and performance in weatherization or housing renovation activities;

- b. The Subgrantee's experience in assisting low-income persons in the area to be served; and
- c. The Subgrantee's capacity to undertake a timely and effective weatherization program.

In selecting a Subgrantee, preference is given to any Community Action Agency or other public or non-profit entity, which has, or is currently administering, an effective program under this part or under Title II of the Economic Opportunity Act of 1964. Program effectiveness is evaluated by consideration of factors including, but not necessarily limited to the following:

- a. The extent to which the past or current program achieved or is achieving weatherization goals in a timely fashion;
- b. The quality of work performed by the Subgrantee;
- c. The number, qualifications, and experience of the staff members of the Subgrantee; and
- d. The ability of the Subgrantee to secure volunteers, training participants, public service employment workers, and other federal or state training programs.

Subgrantee Removal. In the event that a Subgrantee is unable to complete the terms of its Subgrantee Agreement, or if Grantee determines that the Subgrantee cannot fulfill its obligations under the Subgrantee Agreement, Grantee will reach out to other Subgrantees to fulfill the terms of their Subgrantee Agreement and work with the Subgrantees to extend their WAP services into the territory needing service coverage or Grantee will select new Subgrantee pursuant to 10 CFR Section 440.14(a), as amended, and upon the basis of the criteria set forth in 10 CFR 440.15(a), as amended. ~~Contracts amended Contracts~~ would be amended as needed to accommodate the change in service area. This process ensures that WAP services are delivered with minimal interruption to clients if this type of situation was encountered.

V.3 Priorities

Prioritization. Priority for weatherization services is identified through HEAT Enterprise, based on household composition, annual energy consumption usage for heat (cost), and poverty level. This process gives priority to households with high residential energy users and high energy burden. Households with an elderly person, a person with disabilities, and/or families with children younger than six (6) years of age are given priority for weatherization services. Grantee reports this information in the Quarterly Performance Report submitted to DOE. Data from Grantee's fuel assistance database (referred to as LIHEAP Cloud) is uploaded annually into HEAT Enterprise and becomes the basis for determining priority and wait lists. HEAT Enterprise calculates a WAP ranking for each household by assigning points based on household income, home energy costs, and households with children age 6 or less. The maximum number of points allotted to a household is 20, which would result in the highest priority.

Wait Lists. Subgrantees are required to develop and maintain a wait list consisting of HEAP eligible households. Households on the Subgrantee's wait list should be weatherized in order of ranking according to HEAT Enterprise. Households with the highest WAP ranking have the highest priority. A Subgrantee may move up an eligible household's priority based on geographic considerations (e.g., if a high priority weatherization project is out of town, another dwelling with a lower priority ranking in the same area may also be weatherized during or at the same time to save on travel costs) or because the Subgrantee is funding the project with additional other resources.

V.4 Climatic Conditions

Maine's weather and geography directly affect energy consumption in homes. Heating requirements vary from south to north based on the District Heating Factors for the United States. Maine's 7500 to 9800 degree day environment mandates consideration of heating needs. In order to meet the additional heating needs of those in the northern and western portions of Maine, the Grantee uses a sliding scale of allocation based on recorded Heating Degree Days (HDD).

Maine's Hancock Software Energy Audit Tool (HEAT Enterprise) accounts for localized climatic variances by using climate data from the National Oceanic and Atmospheric Administration (NOAA). Heating degree hours are calculated using state climate data associated with each Maine zip code. The data set that is used to determine HDD can be found at NOAA.org. (www.ncei.noaa.gov/access/search/data-search/normals-hourly-1991-2020).

Maine's Heating Degree Days by County (HDD):

Subgrantee	Service Area – counties	Heating Degree Days
Aroostook County Action Program	Aroostook	8,204,954 3
Community Concepts, Inc.	Androscoggin, Oxford	737 36 ,904
Community Concepts, Inc.	Cumberland	74266,248
Downeast Community Partners	Washington, Hancock	77716,734
Kennebec Valley Community Action Program	Kennebec, Somerset	768 07 ,255
Kennebec Valley Community Action Program	Lincoln, Sagadahoc	742 06 ,170
Penquis Community Action Program	Penobscot, Piscataquis	82457,257
Penquis Community Action Program	Knox	73596,352
Waldo Community Action Partners	Waldo	72976,856
Western Maine Community Action	Franklin	88668,078
York County Community Action Corporation	York	70126,301

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

Technical Guides. Standards for the proper installation of materials and procedures are described in the *Maine Weatherization Standards* and the *Maine Field Guide* which are located on the Grantee's website <https://www.mainehousing.org/partners/partner-type/community-agencies/maine-weatherization-programs>.

The *Maine Weatherization Standards* are aligned with the companion Maine Field Guide, which embodies SWS applicable to the Maine Weatherization Assistance Program. While the *Maine Weatherization Standards* and the Maine Field Guide are fully aligned, the documents are distinct. The *Maine Weatherization Standards* provides more overview and detail on overarching goals and guidance for delivery of weatherization services. The Maine Field Guide format provides clear quality standards for specific measures and test procedures using concise SWS language and photographs, and is well suited for direct use in the field.

Notification/Distribution to Subgrantees. Grantee has created and maintains a dedicated web portal for Subgrantees, which provides electronic access to current versions of technical guides, program updates, procedure manuals, standard documents, relevant client education brochures, and a link to all WAP Program Notices and Memoranda. See <http://www.mainehousing.org/partners/partner-type/community-agencies>.

Notifications of updates to program manuals or guidance are posted to the HEAT Enterprise Home/News page. This page is maintained as a "Bulletin Board" and includes highlights of updates, implementation dates and directions to guidance as applicable. Since all users view the Home/News page on log-in, this ensures that Subgrantee field staff are apprised of and directed to the details of important updates as they are implemented.

Program updates and notifications are emailed to Subgrantee Housing ~~and Finance~~ Directors and posted on our web portal.

Required Language. All Subgrantee Agreements contain the following language: "Subgrantee agrees to ensure that the standard work specifications for work quality outlined in WPN 22-4, Section 1, will be met and that all contracts with vendors will contain the same requirement." The Subgrantee's signature on the Agreement confirms that all expectations contained in the Subgrantee Agreement, Work Plan, and Budget are understood and implemented. The Subgrantee must deliver the executed Agreement, with Work Plan and Budget to the Grantee for approval before WAP funds will be disseminated.

All weatherization work is performed in accordance to DOE approved energy audit procedures and 10 CFR 440 Appendix A.

NEPA Review. Subgrantees may only perform activities identified in the current NEPA Maine A determination. Maine Field Guide type approval dates.

Maine Weatherization Field Guide (Single-family and Mobile Home) DOE approved on September 23, 2021

Supplemental DOE Approval for Spray Foam as an Air Sealing (Infiltration) Material as well as Insulation Material approved November 27, 2018

Commented [BF4]: Add additional approval from DOE approved audit 9/13/22 doc

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family
Audit Name: Other (specify) 12/5/2016 Hancock Software
Approval Date: 8/24/2022 DOE approved HEAT v1.0.1(G015-SP84)

Approval Date: 12/5/2016
Audit Procedure: Manufactured Housing
Audit Name: Other (specify) May 22, 2017 Hancock Software
Approval Date: 8/24/2022 DOE approved HEAT v1.0.1(G015-SP84)

Audit Procedure: Multi-Family
Audit Name: Other (specify) Weatherization Assistant Multifamily Tool for Energy Audits (MuTEA)
Approval Date: MaineHousing is currently applying for ORNL's MuTEA web based energy audit system.

For Multifamily, MaineHousing will treat such situations on a case-by-case basis with DOE approval. Currently, MaineHousing is seeking and does not have a well-qualified energy auditor for multifamily buildings. MaineHousing will contract for auditing and inspections services as needed until a well-qualified multifamily energy auditor can be trained or hired. MaineHousing will submit all multifamily projects to the DOE Project Officer for approval prior to the project commencing.

Commented [BF5]: Possible to remove section. RFP for multi going out in October 2023

Comments

1. Grantee's energy audits consists of the following components:
 - a. an individual audit for each dwelling unit,
 - b. energy savings calculations based on ASHRAE fundamentals, and
2. A comprehensive health and safety protocol. Prior to initiating any weatherization activities, Subgrantees are required to evaluate: the physical condition of the home, the mechanical systems, and building tightness. Evaluation of the physical condition of the home and its mechanical systems is accomplished using blower door tests, combustion efficiency analysis, ventilation assessment, fossil fuel appliance combustion safety testing, and moisture level evaluation. Results determine the necessity for various remedial actions, which must be accomplished prior to weatherization, as well as whether investing program dollars in the structure is appropriate.
3. Grantee's health and safety procedures, as described in the *Maine Weatherization Standards* require a total assessment of the home. Briefly, and not all inclusive, the auditor is required to assess the home from basement to attic using HEAT Enterprise:
 - a. list possible pollutant sources;
 - b. record any observable pollutant indicators;
 - c. interview the client as to health problems and lifestyle;
 - d. test all combustion appliances to the degree allowed by law as to efficiency and safe operation;
 - e. perform zone pressure diagnostic testing if applicable;
 - f. determine combustion air requirements and assess the adequacy of the existing combustion air supply;
 - g. test for spillage, back-drafting, and venting capability of all combustion exhaust vents; and
 - h. check CO production of all combustion appliances.
4. Homes that fail combustion safety tests must be deferred until corrective action is taken. Homes with unvented fossil fuel heaters cannot be weatherized until such heaters are removed, except when ANSI approved and used as secondary heat only. In addition, no weatherization activity that will affect the drying capability of the home may be undertaken until all necessary moisture control activities have been completed. After the weatherization measures are completed, the home must be checked again to ascertain that all combustion appliances are operating safely. If homes fail to meet minimum standards as to Structural

Integrity and Health & Safety, weatherization must be deferred until the issue is resolved. Once a deferred home becomes eligible for weatherization, ~~all~~ applicable energy audit diagnostics assessments, including such as blower door

Documentation of all activities in the client file is required.

5. Grantee standard work specifications are embodied in the *Field Guide* and is posted on the Grantee's website. This measures selection system applies to all types of dwelling units and is based on instrumented audits interacted with ASHRAE 62.2–2016 based calculations for energy use, actual installation and energy costs and material lifetimes to produce a savings investment ratio (SIR)-driven work order. These calculations will be conducted using HEAT Enterprise.
6. Grantee requires Subgrantees to utilize, to the degree allowed by law, diagnostic equipment including blower doors, combustion analyzers, hygrometers, CO analyzers, digital manometers and infrared cameras. Mandated tests include blower door tests, combustion efficiency analysis, minimal ventilation assessment, fossil fuel appliance CO testing, and moisture level evaluation.
7. Grantee's HEAT Enterprise uses the basic heat loss equation for conductive heat loss, (BTU/hr times area times degrees Fahrenheit over "R") taken from the ASHRAE 62.2–2016 Fundamentals Handbook, for pre and post weatherization energy use. Included in the calculations are heating degree-day correction factors and a blower door "N" factor when necessary. The results are checked against actual consumption whenever possible (HEAP vendors are required to provide consumption data; clients are asked to provide fuel bills during the audit). As the database grows, any necessary adjustments to correction factors will be made. Grantee's energy audit calculates SIRs for each contemplated weatherization measure, which reflect local heating degree-day figures and a heating degree-day correction factor.
8. In HEAT Enterprise, material lifetimes were updated based on DOE input and are the most conservative generally accepted by the industry. Installation costs are established by using actual subcontractor and supplier bids as well as crew installation costs at each Subgrantee.
9. A SIR is calculated for each contemplated energy conservation measure (ECM). Measures are arranged in descending order of payback by HEAT Enterprise with any individual measure with a SIR of less than 1 being considered "unallowable" unless paid for with another funding source (non-DOE). It is possible for the Subgrantee to elect to do fewer measures than proposed on any given job as long as measures are accomplished in the order established by HEAT Enterprise.
10. Projected incidental repair costs are also calculated and added to the total cost. Incidental repair costs are capped at 15 percent of the total cost of weatherization tasks being completed (conductive + air infiltration + mechanical tasks) in a contract period. Overall calculated SIR for activities excluding health and safety must be equal to or greater than 1. Grantee's audit system assigns an energy savings to air infiltration reduction as determined by reduction of the CFM50 figure from blower door testing. As there is no way to accurately predict a post weatherization CFM50 figure, Grantee may waive the SIR requirement for the aggregate of air infiltration reduction measures on a case-by-case basis if the overall payback requirement is not met by the post blower door test.
11. All weatherization work is performed in accordance to DOE approved energy audit procedures and 10 CFR 440 Appendix A. Supplemental DOE Approval for Spray Foam as an Air Sealing (Infiltration) Material as well as Insulation Material approved November 27, 2018

Commented [BF6]: Reference chart above on page 11 from audit approval 10/4/22

V.5.3 Final Inspection

Every DOE WAP unit reported as a completed unit receives a final inspection by the Subgrantee's BPI certified Quality Control Inspector (QCI), to ensure that all work meets the minimum standard work specifications as outlined in the National Renewable Energy Laboratory (NREL) Single-Family Quality Control Inspector Job Task Analysis. The QCI must complete and provide an Inspection Completion Form to Grantee for every completed unit, certifying that the weatherization materials and measures were properly installed in accordance with the Grantee WAP standards.

Grantee conducts desk reviews on up to 100 percent of completed jobs, based on Subgrantee performance. Grantee will only authorize payment to the Subgrantee when satisfied that all work is completed in accordance with the work quality requirements outlined in WPN 22-4, Section 1. The Subgrantee is notified of any job not in compliance and is required to take the steps necessary to complete the job. In addition, the Grantee will perform quality assurance inspection reviews of at least 5 percent of completed units and 10 percent of all completed units of Subgrantees that allow the audit and inspection to be done by the same person.

Subgrantee Agreements outline disciplinary action for inadequate inspection practices, as well as other duties not

performed in accordance with expectations contained in the Agreement. *To wit:* Grantee shall notify the Subgrantee of the respects in which the Subgrantee's performance is deficient and the time period Subgrantee has to conform its performance. In the event the Subgrantee fails to correct deficiencies in its performance within

the specified time, Grantee may withhold Subgrantee's funding under the Agreement until Subgrantee is in compliance.

~~If a Subgrantee weatherizes a project that is financed/owned by the Subgrantee, or sufficient reserves are in place for the project to incur these costs, without prior approved clearance and Grantee subsequently determines the project is financed/owned by a Subgrantee, or sufficient reserves are in place for the project to incur these costs, the Grantee has the right to refuse to reimburse for weatherization costs incurred.~~

Commented [BF7]: Rework – sentence structure and intention

Maine Weatherization Standards, Subgrantee Agreements, and Grantee's Weatherization Assistance Program Guidance and Procedures (Section 6), provide policies and procedures that govern the inspection process.

V.6 Weatherization Analysis of Effectiveness

HEAT Enterprise system reports are used as tools by the Grantee to monitor Subgrantee WAP production. Additionally, the HEAT Enterprise system calculates an Energy Savings Report for each job that includes pre-R, post-R as well as annual and lifetime BTU savings for the dwelling. Grantee plans to implement the following procedures to analyze the effectiveness of weatherization projects:

1. Grantee reviews estimated energy savings calculations and reports produced by HEAT Enterprise, which also prioritizes all activities in all types of housing addressed by WAP.
2. Grantee surveys recipients of weatherization services and shares results with Subgrantees performing the work.
3. Grantee's Energy and Housing Services team (EHS) communicates regularly with Subgrantee weatherization technicians through telephone, email and onsite visits.
4. Grantee's EHS staff participates in monthly Housing Council meetings and Building Technician Committee (BTC) meetings hosted and attended by Subgrantees directors, managers and technical staff. These meetings provide a platform to receive and solicit feedback from Subgrantees regarding technical concerns, training and other areas that may need improvement. Grantee will implement training based on need.

Grantee conducts up to 100 percent desk review of all jobs and provides timely feedback to Subgrantees. Grantee's State Monitor Technical Review Checklist and State Monitor Compliance Review Checklist classifies common or problematic areas of work identified during desk audits of each weatherized unit. This checklist includes specific areas of the building model, which prompts the monitor to require that the audit be restated if housing characteristics were not accurately entered into the initial audit. Grantee maintains a database which tracks jobs that have issues, follows-up with the Subgrantee, and documents resolutions.

The desk review process will flag any units that need additional monitoring in the form of a unit inspection. Any uncharacteristic testing numbers, costs, or unusual circumstances and measures will trigger this inspection. These inspections will be considered part of the required Quality Control Inspections. When findings or concerns are found on these inspections, the state monitor will work with the Subgrantee to help them understand how the issue occurred, how to prevent it and provide any additional training as needed.

V.7 Health and Safety

Purpose and scope. The primary goals for Grantee WAP are to implement cost effective weatherization procedures to conserve energy and to assess and correct related health and safety hazards. Materials used for the abatement of such hazards not listed in Appendix A of 10 CFR 440 must meet all standards incorporated by reference and made a part of 10 CFR 440.

1. Subgrantees will be allowed to expend program funds for the abatement of energy related health and safety hazards up to an average of \$1,200 per unit. Grantee health and safety related costs will be charged to either the administrative or training and technical assistance cost category. It is the responsibility of Subgrantees to manage the health and safety expenditure report as part of the billing process. The health and safety costs excluded from the cost effective calculations are tracked separately.
2. The cost of eliminating health and safety hazards, which is necessary before or because of installation of weatherization materials, is an allowable expense. Definitions of "minor" or allowable Health & Safety related repairs, and at what point repairs are considered beyond the scope of weatherization are included in the applicable sections of Grantee's 2023 Health and Safety Plan Template, (4.0, 7.6, 7.9, 7.14, 7.16), and are aligned with the Maine Weatherization Standards. Updates related to COVID 19 are in the updated 2023 Grantee Health and Safety Plan Template.

Commented [AR8]: Is this still accurate? And are these references above still correct?

3. Grantee WAP has set parameters by defining allowable minor repairs versus unallowable major repairs for potentially out-of-scope repairs such as roof, structure, moisture, electrical, and worker/client safety. This has greatly reduced the call for case-by-case considerations. However, rigors will be applied to any case-by-case consideration, including cost, Health and Safety risk, SIRs, pursuit of non-WAP resources, and the extent of benefits to especially vulnerable low-income households and individuals per 10 CFR 440.
4. Subgrantees are encouraged to leverage other funds whenever possible when addressing non-cost effective tested items. Problems with the dwelling unit that have no connection with weatherization activities can only be addressed with other funding sources, such as Grantee's *Lead Hazard Reduction Demonstration Grant*, or its *Home Repair Program*. Potential funding sources include, but are not limited to:
 - a. Central Heating Improvement Program (CHIP)
 - b. Community Development Block Grant (CDBG)
 - c. Maine State Housing Authority programs
 - d. City or Town assistance
 - e. USDA Rural Economic Development (formerly FHA)
 - f. Housing and Urban Development (HUD)
 - g. Local church and community groups
 - h. Building Materials Bank
 - i. Habitat for Humanity
 - j. Donations from local businesses
 - k. Landlords

Intake Procedures. Per the Maine Weatherization Standards, the auditor's duties include an evaluation of available information starting with viewing the client application, interviewing the client, and assessing the dwelling. A series of tests as outlined in the *Maine Weatherization Standards* and the *Field Guides* are performed in order to identify potential health and safety hazards as well as energy conservation opportunities. The clients sign a WAP Consent Form that specifies, "In consideration of any WAP services received, I have received a copy of the EPA publication *The Lead-Safe Certified Guide to Renovate Right* and have also been educated on weatherization and health and safety topics pertinent to my home."

Client Education and Training. As outlined in WPN 22-7, the auditor makes the client aware of potential hazards and provides them with appropriate instructions and educational materials. The client also receives guidance and information on energy conservation tips, both verbally and through educational materials relating to the subject(s). In addition to various brochures and manuals available to clients, education is provided as the home is being weatherized. Crews, contractors, inspectors and other qualified personnel explain various related concepts as the work progresses. Clients are encouraged to contact appropriate Subgrantee after weatherization if they have any questions, concerns, or wish to report feedback on the conservation efforts.

Deferral of Services Policy: See Grantee's *Weatherization Assistance Program Guidance*, Section 6(J) for Maine's *Deferral of Weatherization Services Policy*.

Grantee Health and Safety Program: Grantee health and safety related costs will be charged to either the administrative or training and technical assistance cost category. Grantee will follow all Occupational Safety and Health Administration (OSHA) safety regulations, and national, state and local codes as further described under the Subgrantee/Contractor Safety section below.

Subgrantee/Contractor Safety: Subgrantees must comply with OSHA requirements in all weatherization activities. When contractors are employed by Subgrantees, those contractors are expected to comply with OSHA requirements as well. The contractors' costs to comply with OSHA, as applicable, are part of their bid price. Updates related to allowable costs associated with COVID 19 safe work practices are in the updated 2022 Grantee Health and Safety Plan Template 7.5 Related costs for Subgrantees to comply with OSHA requirements may be charged under section 440.18 as health and safety, tools and equipment, incidental repairs, etc.

1. Grantee WAP expects the crews, contractors, and other field personnel to be able to work under conditions that do not jeopardize their own health and safety.
2. Weatherization personnel shall be properly trained in workplace safety and will be provided with necessary protective equipment by their employer. All weatherization workers must comply with EPA's Renovation, Repair and Painting Rule (RRP) and at least one (1) person on each weatherization crew (includes both

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subcontractor crews and Subgrantee direct hires) must be trained in Renovation, Repair and Painting (RRP). Updates related to COVID 19 safe work practices training are in the updated 2022 Grantee Health and Safety Plan Template, 7.5, 7.13, 7.23, 7.24.

Commented [BF10]: Is this correct. Updated already?

3. Subgrantees and contractors are expected to follow the requirements of Construction Industry OSHA Safety and Health Standards (29 CFR 1926/1910). During COVID 19 pandemic conditions, additional guidance must be followed, including but not limited to: Federal and State CDC, FEMA, Maine COVID 19 Prevention Checklist Industry Guidance, and DOE Memorandum 062.
4. Subgrantees must comply with the OSHA Hazard Communication "Right to Know Program." The program requires chemical manufacturers or importers to assess the hazards of chemicals that they produce or import. It also requires that all employers provide information to their employees about the hazardous chemicals to which they are exposed, by means of a hazard communication program, labels and other forms of warning, material safety data sheets, and information and training. Subgrantees must follow the record keeping requirements for Occupational Injuries and Illnesses.
5. Subgrantees are responsible for maintaining vehicles purchased with federal funds so that they are in safe and proper operating condition.
6. Subgrantees are responsible for ensuring all work performed in client homes abides by federal, state, and local codes and regulations.
7. Grantee verifies contractor and Subgrantee compliance with OSHA 10, Safety Data Sheets (SDS), and RRP requirements as follows:
 - a. As part of the annual bid process, contractors are required to submit RRP certifications. Grantee reviews this documentation to ensure compliance.
 - b. Grantee conducts in-progress monitoring inspections to verify compliance with OSHA 1910 and 1926, RRP, and reviews/compares SDS information to actual products being installed.
 - c. Grantee conducts client interviews to confirm that they received SDS information prior to the installation of WAP measures.

Commented [BF11]: Is this correct and needed? DOE memo 62 not active

Client Health and Safety. Client health and safety is a priority for Grantee WAP. Through DOE trainings, related trainings at Maine Safety Works, and field training, Grantee has developed a comprehensive plan to ensure safety in energy related areas. Updates related to COVID 19 safe work practices are in the updated 2022 Grantee Health and Safety Plan Template, 7.20. Subgrantees are required to have the proper equipment to perform the necessary weatherization tests. Subgrantee personnel are required to attend trainings as determined necessary. Homes constructed prior to 1978 are presumed to contain lead paint. All weatherization clients residing in homes constructed prior to 1978 will receive the EPA publication [The Lead-Safe Certified Guide to Renovate Right](#) prior to the commencement of any weatherization activities.

Commented [BF12]: Pick up here when we want to do more

1. Maine's Community Action Agency Building Technology Committee (BTC) meets on a monthly basis to discuss all technical aspects of the weatherization program. The committee consists of a technical representative from each Subgrantee. Through this venue, Subgrantees are continually updated with information and techniques regarding energy conservation and health and safety issues. This system ensures that all Subgrantees are receiving the same information and creates consistency for a quality program statewide.
2. The Weatherization and CHIP programs work in unison to guarantee "A House as a System" approach when conducting an audit.
3. All Subgrantees have blower doors, digital manometers, CO testers, heating system efficiency testers, and hygrometers, as well as other test equipment. All weatherization personnel are required to be trained in energy related health and safety issues and indoor air quality problems. Testing and corrective procedures requiring special licensing on a state level will be referred to the appropriate authority.

Health and Safety Guidance Grantee uses the [Table of Issues](#) (adopted in [DOE WPN 22-7](#)) as a reference of a majority of conditions that Grantee regards as hazardous. In all cases these conditions will determine the course that weatherization will take. The chart outlines the hazard, the importance of correction, if postponement of weatherization services is necessary, types of testing, and corrective procedures for each hazard. In addition to the prescribed guidance in the Table of Issues, the following will be assessed and addressed, as applicable:

1. Air Conditioning and Heating Systems. Because of Maine's high heating degree-day environment, cooling needs are considered insignificant for Maine dwellings. Therefore, Maine climate conditions do not warrant defining at-risk occupants or the repair or replacement of air conditioning systems under DOE WAP.

2. Asbestos. According to the EPA's *Building Air Quality Guide*, the mere presence of asbestos in a building does not mean that the health of a building occupant is endangered. Asbestos-containing material in good condition, not damaged or disturbed, is not likely to release asbestos into the air.

3. **Biologicals/Mold. Updates related to COVID 19 are in the updated 2022 Grantee Health and Safety Plan Template 7.5, 7.20.**

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4. Combustion Appliances and Combustion Gases. Grantee recognizes that combustion gases in homes pose the most serious hazard. As a result, Grantee has adopted a comprehensive plan to ensure safe operation of combustion appliances and to make sure that weatherization procedures do not contribute to a problem.

5. Per the SWS, (2.02 Combustion Safety) CO in the appliance vent, ambient CO and spillage testing must occur as part of a weatherization job. If the mandatory testing results are outside of the allowable limits, a clean, tune & evaluate (CTE) of the heating system must occur as part of a weatherization job.

6. Energy auditors must comply with the rules of the Maine Fuel Board: Prior to performing a combustion safety and efficiency test, a limited energy auditor technician shall obtain the manufacturer's installation and operating instructions for the specific equipment to be tested. Energy auditors must make every effort to obtain an equipment manual on site or online. When a manual is not obtainable, the energy auditor must order a CTE by a licensed Heating Technician. [This CTE must be performed prior to invoicing the job]. A visual inspection, CAZ pressure test, spillage test, and ambient CO measurement must still be conducted as part of the energy audit.

Commented [AR13]: Is all this wording about CTEs still accurate?

7. In addition, CTEs should also be conducted as part of routine maintenance and safety practices. Subgrantees must provide in their Work Plan established internal policies that describe how CTEs will be addressed for clients of the weatherization program. Of all the by-products of fuel combustion, carbon monoxide (CO) is deadly. Grantee views any ambient level of CO as potentially dangerous and will be considered a warning signal that a problem exists. Corrective procedures requiring special licensing will be referred to the appropriate authority. Grantee follows guidance provided in the ASHRAE standards.

8. Mold and Moisture. A thorough moisture assessment of the home is done during the audit process and conditions are noted in HEAT Enterprise. The assessment process includes a client interview, visual inspection, measuring humidity levels and blower door testing. Corrective procedures include client education, eliminating/reducing source of moisture, and providing mechanical ventilation as prescribed by ASHRAE standards.

9. **Occupant Pre-existing or Potential Health Conditions. Updates related to COVID 19 safe work practices are in the updated 2022 Grantee Health and Safety Plan Template, 7.20**

Commented [AR14]: We should put in a sentence about our screening form.

10. Worker Safety. Updates related to COVID 19 safe work practices are in the updated 2022 Grantee Health and Safety Plan Template, 7.5, 7.13, 7.23.

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11. Diagnostic equipment, such as blower doors, will not be used on units where such equipment could exacerbate existing problems (e.g., vermiculite in open floored attics).

12. Spray Polyurethane. Grantee must follow EPA recommendations (available online at <http://www.epa.gov/saferchoice/ventilation-guidance-promote-safe-use-spray-polyurethane-foam-spf-insulation-incluyendo>).

V.8 Program Management

V.8.1 Overview and Organization

Organization Overview. The Maine State Housing Authority (MaineHousing), created in 1969 by the state legislature, is Maine's housing finance agency. MaineHousing is a quasi-state agency with a Board of Commissioners appointed by the Governor and confirmed by the Legislature. MaineHousing administers the DOE Weatherization Assistance Program. MaineHousing's mission statement reads, "The mission of MaineHousing is to assist Maine people to obtain and maintain decent, safe, affordable housing and services suitable to their unique housing needs." In carrying out this mission, MaineHousing provides leadership, maximizes resources, and promotes partnerships to develop and implement sound housing policy.

Since its inception, MaineHousing has provided housing for low and very low-income renters and the opportunity for low and moderate-income Maine families to purchase their own homes. In the more recent past, MaineHousing has expanded its programs to meet new challenges posed by various housing needs: people who are homeless; people with special housing needs (such as mental health consumers); the elderly; low income homeowners who cannot afford basic home repairs; and others.

The State of Maine developed the nation's first Weatherization Program in 1973 in response to the energy crisis that gripped the northeast and caused economic hardship across the country. Maine WAP became the model used in developing funding for a program in every state in the nation. The program was originally administered by the Division of Community Services, an executive department agency. It was re-assigned to MaineHousing in 1991.

By its nature, MaineHousing rarely serves its customers directly. It places a heavy reliance on its partners to deliver its programs and services to the households that it serves. These partners include real estate professionals and lenders, non-profit organizations, other government agencies (in particular, Maine Department of Economic and Community Development, and Health and Human Services) municipalities, for-profit corporations, private developers, private property owners, management corporations, and Community Action Agencies. With offices located throughout Maine, nine (9) of Maine's Community Action Agencies serve as Subgrantees for the DOE Weatherization and Low Income Home Energy Assistance Programs (HEAP).

In addition to WAP, MaineHousing serves as Grantee for HEAP, Central Heating Improvement Program and other home repair programs. Weatherization serves as MaineHousing's cornerstone to providing thousands of Maine homeowners and renters with funds to repair and improve their homes. CDBG and other state and federal sources of funds will be used in conjunction with WAP funds to address this home repair crisis. In addition, MaineHousing consistently designates 15 percent of its HEAP grant to weatherization and heating system repair programs.

Review of Subgrantee Work Plans, Budgets, and Reported Results - Grantee requires Subgrantees to provide a Work Plan and Budget for the ~~2023-2024~~ DOE program as part of the Subgrantee Agreement. Grantee will review the Work Plan and Budget and request any updates, if necessary, for the program year. No funds will be advanced to Subgrantees until the Work Plan and Budget is reviewed and approved by Grantee. Grantee's EHS staff will perform comparisons of Subgrantees monthly billings versus their approved budgets to identify financial or compliance variances. EHS staff will work with Subgrantees to correct/understand variances as they are identified during this process.

Allocation of Funding to Subgrantees - Grantee will allocate program funding to Subgrantees based on the percentage of HEAP applications approved. Grantee reserves the right to re-allocate funding among Subgrantees during the program year based on program performance and need statewide.

Competitive Process for Subgrantees

Grantee intends to conduct a competitive process to attract new Subgrantees to provide DOE WAP services. The Grantee will ensure that each Subgrantee is selected on the basis of public comment received during a public hearing conducted pursuant to 440.14(a). Grantee will consider:

- a. The Subgrantee's experience and performance in weatherization or housing renovation activities;
- b. The Subgrantee's experience in assisting low-income persons in the area to be served; and
- c. The Subgrantee's capacity to undertake a timely and effective weatherization program.

Preference will be given to a Subgrantee who is currently administering, an effective program. Program effectiveness is evaluated by consideration of factors including, but not necessarily limited to the following:

- a. The extent to which the past or current program achieved or is achieving weatherization goals in a timely fashion;
- b. The quality of work performed by the Subgrantee;
- c. The number, qualifications, and experience of the staff members of the Subgrantee; and
- d. The ability of the Subgrantee to secure volunteers, training participants, public service employment workers, and other federal or state training programs.

Although preference will be given to Subgrantees currently administering an effective program, Grantee recognizes that with the abundance of job vacancies and labor shortages it may be necessary to enlist less experienced Subgrantees to provide weatherization services. Grantee intends to use the DOE BIL Grant Funds to assist local advocate groups and coalitions in becoming non-profit organizations that could administer the DOE BIL WAP. Through the competitive process, Grantee will solicit applications from these groups and award grants for start-up costs, training, establishment of non-profit status, salaries for key personnel and staff for up to eighteen months, budgeted indirect costs, as well as other approved expenses.

V.8.2 Administrative Expenditure Limits

Pursuant to 10 CFR 440.18(e) Grantee will not allow more than 7.5% of the DOE allocation to be available to Subgrantees for administrative purposes, unless Subgrantees meets the below criteria for an additional 5%. Subgrantees will be required to provide budgets reflecting actual administrative costs, and allocations will be made in accordance with those budgets.

Grantee WAP may allow up to an additional five percent administrative funding for Subgrantees that qualify based on the following criteria:

1. As required by federal regulations, the Subgrantees must receive less than \$350,000 for their total annual sub-granted amount.
2. Subgrantee budgets must reflect reasonably expected administrative costs for the new grant period, which are in excess of the five percent. These expected costs should be based on the best information currently available.
3. The Subgrantees must have no uncorrected audit or monitoring findings regarding the allocation of costs to the DOE sub-grant for the most current period available.

Any Subgrantee meeting criteria defined in 10 CFR 440.18(d) may receive increased administrative funding, not to exceed an additional five percent (20 percent total), based on actual costs incurred. The Grantee will require the Subgrantees to submit a letter of application for additional administrative funding. This letter must address the impact on production and the need for the additional administrative funds as well as the three (3) criteria shown above.

V.8.3 Monitoring Activities

Programmatic/Subgrantee Monitoring. The monitoring approach under the Grantee WAP is to work closely with Subgrantee personnel to ensure continued quality workmanship and to ensure adequate financial systems and procedures. Grantee WAP will administer Quality Control Inspections (QCI) in accordance with SWS outlined in the Field Guides and 10 CFR 440 using both the independent QCI and independent auditor/QCI. This will enable Subgrantees with fewer staff to utilize the process. In all cases QCIs will be Subgrantee employees or hired contractors and the Grantee will perform quality assurance reviews of at least 5 percent of completed units and 10 percent of all completed units of Subgrantees that allow the audit and inspection to be done by the same person.

Comprehensive coverage of all Subgrantee WAP activities is achieved by a combination of regularly scheduled Grantee efforts:

1. Administrative and
2. Fiscal monitoring – annually.
3. Onsite inspection of completed units – monthly.
4. Client file review (Compliance & **Technical**) – monthly.
5. Subgrantee monitoring – annually.
6. Review of Subgrantee work plans, budgets, and reported results – ongoing.
7. Review of independent Subgrantee annual audits – annually.

Grantee has developed its own monitoring tool that includes reviews of the Subgrantee Uniform Grant Guidance Audit prescribed by 2 CFR 200. Among other things, Grantee has determined that the DOE monitoring tool duplicates many financial and compliance audit requirements under 2 CFR 200 which all Subgrantees must have their independent auditors perform annually. Subgrantees are required to submit their annual independent audit (Single-Audit) report to Grantee as soon as the report is available.

Commented [RS15]: Should we add context stating minimum of annually where some agencies (at the current time) are monitored twice a year to monitor production? ie WCAP and DCP

Commented [AR16R15]: Are you doing a full secondary monitor? Review & report? Or are you doing a follow up to ensure compliance with findings from the first monitor?

Subgrantee Monitoring: On site monitoring will consist of administrative, programmatic and technical components. All eight of our Subgrantees will have at a minimum one on site monitoring on an annual basis.

1. Annual Subgrantee Administrative Monitoring Review

- a. Priority & Wait List
- b. Reweatheringization
- c. Deferrals
- d. Contractors & Procurement
- e. Required Documents
- f. Energy Audits
- g. Field Notes
- h. Licensing & Certifications
- i. HEAT Audits
- j. Photo Documentation
- k. Equipment Compliance

Commented [RS17]: Trainings or conferences

- 2. Each comprehensive monitoring visit will include an exit interview during which the WAP Program Officer apprises Subgrantee personnel of any findings, and recommended improvements, and best practices as applicable. Within 30 days of the Subgrantee Monitoring visit, the WAP Program Officer will prepare and deliver a report to the Subgrantee summarizing any findings and requesting corrective actions. The WAP Program Officer will perform a follow-up review of any corrective action plans within six months of the monitoring visit.
- 3. If significant issues are identified, Grantee requires the Subgrantee to submit a corrective action plan for Grantee's review/approval. Grantee will conduct a six (6) month follow-up review to ensure the plan was executed and effective in addressing the issues.
- 4. If Grantee is not able to conduct onsite administrative and/or programmatic monitoring remote desk monitoring will be performed. The same monitoring tools and criteria will be used as much as possible utilizing online software for individual meetings/interviews and information submissions to MaineHousing via Sharefile to obtain the same outcome as a physical onsite.

Financial Monitoring. Grantee staff will perform comprehensive fiscal monitoring of each Subgrantee on an annual basis using the Compliance Review Administrative Monitoring Tool. During the annual fiscal audit, Grantee conducts a 10 percent file review of Subgrantee's production. If a significant issue is cited, Grantee will expand the sample size.

The EHS Fiscal Compliance Specialist addresses the following areas of performance under DOE Weatherization:

- 1. Annual Financial Monitoring review
 - a. Financial/Fiscal Accountability
 - b. Uniform Grant Guidance Audit prescribed by 2 CFR 200
 - c. General ledger
 - d. Payroll/Personnel/Timecards
 - e. Vehicles and equipment purchases
 - f. Indirect rate review to make sure it is being calculated correctly
 - g. Invoicing
 - h. ~~Record retention~~
 - i. ~~Corrective action plans~~
 - j. ~~Contractor payments~~

2. Each comprehensive monitoring visit includes an exit interview in person meeting, or written communication, during which the EHS Fiscal Compliance Specialist apprises Subgrantee personnel of pertinent findings and recommended improvements, as applicable. Within 30 days of the administrative/fiscal monitoring visit, the EHS Fiscal Compliance Specialist will prepare and deliver a report to the Subgrantee summarizing these findings and requesting corrective actions. Additionally, the Fiscal Compliance Specialist will perform a six (6) month follow-up review of corrective action plans, if applicable.
3. If significant issues are identified, Grantee requires the Subgrantee to submit a corrective action plan for Grantee's review/approval. Grantee will conduct a six (6) month follow-up review to ensure the plan was executed and effective in addressing the issues.
4. If Grantee is not able to perform fiscal monitoring onsite for numerous reasons all needed data for review will be sent to Grantee and a comprehensive desk review will be completed.

Grantee Monitoring Personnel:

TITLE/GROUP CATEGORY	HRS /YR	TIME %	ADMIN %	T&TA %	DESCRIPTION OF DUTIES
Fiscal Compliance Specialist	624	30.00%	25.00%	5.00%	Performs fiscal reviews of Subgrantees to ensure fiscal compliance to federal rules and regulations; provides Programmatic Guidance to Sub-Grantees.
Technical Services Specialists #1	1,456	70.00%	50.00%	20.00%	Primary responsibility for field inspections and monitoring of completed weatherized units to ensure quality and compliance with program regulations. Assists in technical training, such as conducting energy audits, contractor relations, including contractor bids
Technical Services Specialists #2	1,456	70.00%	50.00%	20.00%	Primary responsibility for field inspections and monitoring of completed weatherized units to ensure quality and compliance with program regulations. Assists in technical training, such as conducting energy audits, contractor relations, including contractor bids
<u>WAP Program Specialist #1</u>					<u>Performs compliance desk review of completed jobs and onsite Grantee Programmatic compliance monitoring. Provide Subgrantee training to address administrative requirements, compliance issues, Heat Enterprise, and other areas as needed and/or requested by Subgrantee. Provides Programmatic Guidance to WAP Subgrantee</u>
WAP Program Officers #1	874	42.00%	32.00%	10.00%	Performs compliance desk review of completed jobs and onsite Grantee Programmatic compliance monitoring. Provide Subgrantee training to address administrative requirements, compliance issues, Heat Enterprise, and other areas as needed and/or requested by Subgrantee. Provides Programmatic Guidance to WAP Subgrantee

WAP Program Officers #2	1,206	58.00%	33.00%	25.00%	Performs compliance desk review of completed jobs and onsite Grantee Programmatic compliance monitoring. Provide Subgrantee training to address administrative requirements, compliance issues, Heat Enterprise, and other areas as needed and/or requested by Subgrantee. Provides Programmatic Guidance to WAP Subgrantee
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Independent QCI Monitoring: QCI monitoring has three components: Desk Review, Unit Inspections, and On-site Subgrantee Monitoring Visits.

1. Grantee State Monitors conduct a minimum of 10 percent and up to 100 percent desk/file review of the completed units submitted by each Subgrantee. The percentage of desk review depends on Subgrantees' performance, which is captured on Grantee's internal tracking sheet. This practice allows the Grantee to monitor best practices, identify concerns, and select/prioritize units for onsite inspections for each Subgrantee. *State Monitor Desk Review Checklists* provide Subgrantee with the desk review results for jobs reviewed, including job deficiencies. Deficiencies are tracked by number and level of concern of reviewed jobs on Grantee's internal tracking sheet. *State Monitor Review Checklists* are made available to the Subgrantee in HEAT Enterprise. Any deficiencies identified on the checklists must be addressed in the job file before payment can be issued.
2. EHS Technical Service Specialists will perform onsite unit inspections of completed and in-progress units statewide on a monthly basis. They will inspect a minimum of five percent of completed units and 10 percent of all completed units of Subgrantees that allow the audit and inspection to be done by the same person.
3. If significant issues are identified, the Technical Services Specialists will expand the percentage of inspected units. Technical Guides and Materials (V.5.1) establishes the criteria for inspection procedures.
4. Capture and reporting of inspection data will be accomplished using the *Maine WAP QCI Field Form*, which provides a comprehensive checklist that includes:
 - a. Assessment of auditors' pre-existing R-values and accurate building model
 - b. Evaluation of auditors' approach for each distinct area of the structure, attic, walls, basement, site specifics, etc.
 - c. Verification and evaluation of each installed measure
 - d. Combustion appliance inspection and combustion safety testing data
 - e. Blower door, pressure pan and other applicable building diagnostics data
 - f. Exhaust device cfm measurement and confirmation of correct ASHRAE ventilation requirement
 - g. Confirmation of on-site documentation required by SWS such as Insulation Certificates
 - h. Client comments, concerns and positive remarks
5. Within 30 days of the site inspection, the Grantee monitor submits a Unit Inspection Report to the Subgrantee. These reports include findings and any required corrective actions, communications with the client/owner and contractor, observations and an assessment of the auditor's performance. If a rework is ordered, the Subgrantee will have 30 days to complete the rework and notify EHS, in writing, of its completion. The Subgrantee may also contact the Manager of Weatherization in writing during this 30-day period to appeal a rework finding. The unit will be revisited by the Manager of Weatherization, a representative of the Maine Community Action Agency Housing Council, the Grantee monitor, and a Subgrantee representative to resolve the dispute through actual onsite observations and discussion of discrepancies.
 - a. If the rework ordered is not rescinded following this appeal process, the Subgrantee will have 30 days from the date of the appeal resolution to complete the rework.
 - b. If reworks are not completed within 30 days, and the Subgrantee has not demonstrated reasonable cause for delay, a billing adjustment will be made for the entire dwelling unit. The unit will not be reinstated until the rework has been completed.
 - c. If there are significant deficiencies identified, the Grantee monitor will increase the number of units reviewed and frequency of monitoring visits to the Subgrantee until there are assurances that all deficiencies have been resolved.
6. Subgrantees are required to submit corrective action plans when there are indications that the Subgrantee has significant compliance issues.
7. EHS Technical Service Specialists conduct multi-day focused technical monitoring at each Subgrantee office on an annual basis. This includes face-to-face meetings and interviews with Subgrantee weatherization managers, field staff and contractors to evaluate processes and training needs. A written summary of the site visit is provided to the Subgrantee within 30 days. The Subgrantee must respond to any requests, concerns or findings within 30 days.

Commented [AR18]: Did we eliminate this component from the billing check list?
I believe we have eliminated this list.

Commented [BF19R18]: The Techs still use it or at least I know Roland does. It is off the Compliance.

Independent Subgrantee Audit: Each Subgrantee will have an audit of their financial statements and a Uniform Grant Guidance Audit prescribed by 2 CFR 200 compliance audit conducted by an independent CPA firm following the close of the Subgrantee fiscal year. These audits will comply with all regulations pertaining to DOE

WAP and will be made available to Grantee management. Grantee's Fiscal Compliance Specialist evaluates/reviews the results of these audits on an annual basis.

Subgrantee must provide written assurance that corrective action has been taken or present a plan to correct any noted deficiencies within 60 days. During and following this 60-day corrective action period, Grantee staff will offer and be available for training and technical assistance as needed by the Subgrantee.

V.8.4 Training and Technical Assistance Approach and Activities

Grantee has begun ramping up staffing capacity in preparation for DOE BIL funds. Recently, a Weatherization Manager and additional Program Compliance Officer were added to the current staff. Furthermore, the budget has additional funding to add another Program Officer and Technical Specialist to ensure sufficient staff are in place. Subgrantees have also ramped up their staffing capacity and are continuing to add additional staff trained as Energy Auditors and QCIs. The Grantee plans to conduct an RFP to find a potential multi-family service provider who will service the entire state of Maine.

In addition to Grantee and Subgrantee staffing, the Grantee has partnered with Maine Building Performance Association (BPA) on a Workforce Development Project. BPA recently conducted an in-depth needs assessment survey and are currently analyzing the data. BPA will also work on creating pathways to bring people, schools, and contractors together; integrate a feeder system into statewide energy specialists, pre-apprenticeship, apprenticeship, and internship programs; provide outreach and bring attention to historically underrepresented communities. The Grantee will also conduct outreach via community events such as trade and home shows.

The Grantee has also partnered with the Governor's Energy office and Efficiency Maine [Trust](#). This collaboration will open up additional referral streams for potential program recipients as well as contractor and vendor resources. This partnership will not only enhance the production, but will provide program recipients with additional resources to help reduce their energy burden and increase efficiency.

Grantee will continue to support Subgrantees by providing training opportunities for crews and contractors, as well as providing guidance regarding the allowable use of DOE Training and Technical Assistance (T&TA) funds for training weatherization contractors, as well as Subgrantee technicians and weatherization crews. Subgrantees are encouraged to renew their certified employees certifications and licenses six months prior to expiration. These certifications include, but are not limited to, HEP Energy Auditor, HEP Quality Control Inspector, BPI Building Analyst, as well as all other occupational specialties requiring certification. All Subgrantees and contractors are required to have all state and local licenses as required by the state of Maine.

Grantee uses monitoring methods and tools to evaluate each Subgrantee's performance and develops T&TA activities to address areas in need of improvement. Grantee is working with the approved energy audit software provider to obtain back end access of the software. This will allow Grantee to develop expanded reporting methods to track and compare production and energy savings between Subgrantees. This reporting ability will aid in identifying training needs by comparing Subgrantees' performance. This will be initiated over the coming year, to be implemented when development is completed during this grant period.

Grantee's WAP T&TA plan provides a variety of activities to support developing and enhancing skills of personnel at the Grantee, Subgrantee and contractor levels. The desired result of all T&TA activities is to maximize energy savings, ensure health and safety of clients and WAP personnel, minimize operating costs, improve management and administrative procedures, and prevent waste, fraud and abuse. New WAP staff who do not possess all required training and certifications will receive necessary training as soon as possible and no later than 6 months from their date of hire. WAP staffs work under supervision as needed until they have received required training and certifications.

The T&TA plan incorporates results and information made available through EHS field monitoring visits and input from Subgrantees, weatherization contractors, WPNs, DOE monitoring visits, internal state audits, IG reports and/or ACSI reports. All Comprehensive Training will be conducted by Interstate Renewable Energy Council (IREC) accredited training organizations. Specific trainings will be administered by qualified personnel as needed. ~~Energy audit software training and field data collection have been added to resolve findings brought forth during 2021 DOE Technical Monitoring Assessment.~~ The percentage of comprehensive and specific trainings will be roughly thirty and seventy percent respectfully. A comprehensive breakdown of training activities are found on the T&TA Template submitted as an attachment to this document.

Grantee/Subgrantee Training. Grantee supports the professional development and training needs of Grantee and Subgrantee weatherization staff and contractors. Subgrantees are provided T&TA funds that allow them flexibility in meeting training needs for their WAP staffs and contractors.

1. BPI (HEP) Comprehensive Training. Grantee will coordinate and fund mandatory accredited certifications for Grantee and Subgrantee staff as required by Weatherization Program Notices. Comprehensive training will

Commented [AR20]: Still a relevant comment?

Commented [BF21]: I don't think this valid, UPDATED

be scheduled as current certifications are expiring or new staff/contractors are employed. Certification renewal is currently on a rolling three-year timeframe.

- a. During the 2023⁴ DOE plan year, Grantee anticipates coordinating and funding accredited trainings and testing for Grantee, Subgrantee technicians, Contractors, and Subgrantee Crew workers as detailed on Grantee's 2023⁴ DOE T&TA Planning and Reporting Template.
 - b. Grantee will coordinate and fund Crew Leader (CL) and Retrofit Installer (RIT) Comprehensive Training and certification for Subgrantee crew workers and weatherization contractors as needed. Grantee makes training opportunities available annually. These Comprehensive Trainings will be provided to Grantee's weatherization network to ensure continuity and best practices across the work force for weatherization contractors and Subgrantee crews performing weatherization work. IREC accredited training will align with the NREL Job Task Analysis (JTAs) for the scope of work performed by the WAP professional.
2. *Grantee, Subgrantee and Contractor Training.* Grantee will coordinate and fund training to address the top training topics/needs identified by Subgrantees including: HEAT Enterprise software, monitoring and technical best practices, WPN guidance, and training needs identified through Grantee monitoring activities. Training topics will be addressed through Comprehensive or Specific training avenues as needed.
 3. *National and Regional Conferences.* Grantee will send Grantee staff, and encourage Subgrantee technical and fiscal personnel and weatherization contractors to attend NASCSP and DOE approved training conferences, as well as other conferences relating to health and safety, air quality, energy audits and weatherization specific measures.
 4. *In-House Training.* Grantee staff will provide training on-site as needed in technical and fiscal matters and to address acute deficiencies in the field such as combustion safety training, audit training, ASHRAE, etc..
 5. *Online Training Modules.* Grantee continues to develop online training modules geared toward new staff orientations for Subgrantees and/or weatherization contractors, as well as modules focusing on technical, fiscal and overall program management to provide support for weatherization installation and standards on an as needed basis. These trainings are offered to the WAP network via MaineHousing's Bridge Learning Software. Training will be added to address building code compliance. This training is sponsored by the Maine Fuel Board and Maine Manufactured Housing Board at no cost and is virtual. This training is listed on the Maine T&TA Template.

All Subgrantees are required to submit a T&TA work plan with their budget for Grantee approval. These work plans will identify and address T&TA needs at Subgrantee agencies. A standard outline is provided to all Subgrantees setting forth the areas required in their work plans.

The Grantee will review the Work Plans and Budgets to determine whether the Subgrantees are complying with the outline as well as the standards stated above. The Grantee will also coordinate and provide all Subgrantees with current developments in technical procedures and DOE guidance on technical issues. Through these procedures, the Grantee will ensure consistency in the Subgrantees' procedures as well as identifying needs of individual Subgrantees. The Grantee will expend every effort, through monitoring and management activities, to ensure that Grantee continues to operate a quality WAP.

In addition, Subgrantees submit semi-annual activity reports to Grantee identifying agency staff and/or contractor employees benefiting from the use of DOE T&TA funds for training.

The Housing Director of each Subgrantee will notify the Grantee and the Housing Council of any and all planned training sessions so that common needs are coordinated and duplication is avoided.

The Grantee will continue to conduct surveys of all Subgrantees and solicit input from Grantee staff to identify training needs. This information is utilized to determine which topics the Grantee and Subgrantees will schedule for trainings during this and future grant periods. The results of the survey will be shared with the Housing Council to assist with their employee and subcontractor trainings and meetings.

Grantee also relies heavily on information gathered during the monitoring process to determine and prioritize training needs. There will continue to be training such as EPA Certified Lead Renovator training which requires EPA certified trainers and other specialized training as it becomes available (i.e. Maine Indoor Air Quality, Building Performance Association, etc.). Grantee is notified of these external training opportunities and informs Subgrantees/contractors of them.

Grantee tracks applicable Grantee and Subgrantee credentials to ensure maintenance of these credentials.

The effectiveness of T&TA activities is gauged by:

1. review of session evaluation forms;
2. feedback from Building Technical Committee and contractor meetings;
3. comparison of pre & post training on-site results; and
4. analysis of responses to annual Subgrantee training needs surveys.

Contractor Training. Grantee requires that contractors receiving DOE T&TA funds for DOE approved training events sign a retention agreement confirming that the contractor will provide weatherization services for a period of ~~one year from the date of training, not less than the current weatherization contract period the Contractor has with the Grantee and/or Subgrantee.~~ The use of T&TA funds to reimburse contractors is limited to T&TA that supports the four Home Energy Professionals occupations (Retrofit Installer Technician, Crew Leader, Energy Auditor, Quality Control Inspector).

Client Education. Per the Maine Weatherization Standards, energy auditors and inspectors are required to provide the client/owner education during all phases of the weatherization process. This includes, but is not limited to:

1. how the weatherization process will address health and safety issues;
2. explanation of energy-conserving measures that will be installed;
3. recommendations on how the client can conserve energy; and
4. explanation of required maintenance for existing equipment, including equipment calibration requirements, added equipment, or energy-saving measures.

V.9 Energy Crisis and Disaster Plan

In the event that an energy crisis or disaster plan is triggered by state or federal declarations, Grantee will ensure that use of WAP funds adhere to procedures outlined in WPN 12-7.

Commented [AR22]: Brad – did you change the wording on the contractor retention form? Is it now 1 year from the training?

Commented [BF23R22]: Yes, one year from the training UPDATED

MaineHousing Board of Commissioners 2024 Goal Setting Brainstorming

During the August 2023 MaineHousing board meeting, the Commissioners participated in an interactive brainstorming session to identify priority areas for the agency in the upcoming year. The brainstorming identified the themes of Advocacy, Accessibility, Systems, Climate/Energy, Homelessness, Preservation/Production, Preservation/Homeownership, and Housing Choice Vouchers.

The following goals were identified by the Commissioners within these priorities:

Advocacy and Accessibility

- Advocacy and stakeholder growth
- Advocate for permanent annual state funding for all programs
- Trust of MaineHousing leaders and teams; commitment; goodwill; expertise – priceless and valuable
- Become a more diverse and welcoming place to employees
- Continue to expand management accessibility (e.g. Dan’s emails, employee engagement)
- Focus on DEI (Diversity, Equity, Inclusion) in all programs

Climate/Energy

- Develop a plan to use the IRA training dollars for WAP contractors
- Energy: better dissemination of dollars; more heat pump installations
- Heating/cooling assistance: Can we increase?
- Consider climate change for new construction
- Be a strong player with energy efficiency funding to retrofit existing multifamily buildings
- Develop a plan to implement the HOMES/HEEHRA funding

Homelessness

- Continue recovery house projects
- SROs
- Incorporate concerns about chronic homelessness in all programs
- Create homeless strategy: effective; simple to communicate to public; resourced
- Continue/increase focused effort to address homelessness
- Grow housing first
- Evaluate and strengthen the HUB system
- Modernize Statewide Homeless Council statute to reflect current philosophies

Housing Choice Voucher

- Evaluate and take action on HCV capacity, if possible
- Increase landlord participation in the HCV program

Multifamily Preservation and Production

- Build on the success of the Rural Affordable Rental Housing Program
- Rural rental preservation
- Smaller/rural multifamily
- More small developments
- Preserve stock: islands and tourist towns
- Maximize use of 4% money
- Develop new developers
- Support increased production of multifamily: costs, breadth of construction companies, etc.

Homeownership

- Evaluate and take action on first-time homebuyer capacity, if possible
- Support homeownership: new twists on program; more ways to have people use it; love new initiatives
- Increase minority homeownership rate – close the gap
- HomeWorks classes expanding; financial literacy

Systems

- Innovative programming to continue
- Continue to produce, produce & produce more units to balance supply demand
- Finite resources: identify other possible partners to support programs
- Be seen as research & data driven resource for all things housing
- Complete online HEAP portal
- Annual Housing Report in December: where Maine stands; easy to communicate; MDF quality

MaineHousing Board of Commissioners 2024 Goal Setting Summary

MaineHousing will continue its long-term commitment to the priorities of homelessness, multifamily production and preservation, and homeownership. Looking forward to 2024 we will focus on the Board of Commissioners' additional priorities of climate/energy and internal and external systems, specifically in the areas of planning and research; diversity, equity, inclusion, and belonging; internal communications; and continuous process improvement.

Climate/Energy

During 2024 we will explore ways to leverage the energy funding available nationally and increase our energy initiatives within our current business lines. This will require:

- Ongoing collaboration with the Governor's Energy Office and Office of Policy Innovation and the Future in regards to the Greenhouse Gas Reduction Fund (GGRF);
- Continuing to implement weatherization initiatives through the Department of Energy's Bipartisan Infrastructure Law (BIL);
- Continuing our commitment to finance multifamily rental properties that meet MaineHousing's advanced energy efficiency standards.

Internal and External Systems

In 2024 we will enhance our planning and research team and the way in which we use data from various sources to drive decision-making. This will require:

- Developing a Data Governance and Stewardship Policy;
- Growing the recently created position of Business Systems Manager to help fill the gap between production departments, planning and research, and information technology to create an environment of data readiness to ensure optimal decision making;
- Creating a more advanced technology infrastructure, including Data Warehousing (long term goal), modeling and data dictionaries, and improved data reporting and visualization tools.

During 2024 we will ensure MaineHousing is an organization focused on Diversity, Equity, Inclusion, and Belonging. This will require:

- Supporting our enhanced onboarding process;
- Evaluating our recruitment strategies;
- Obtaining an independent organizational assessment and then enhancing our current strategies accordingly.

In 2024 we will continue to improve internal communication within MaineHousing by developing a comprehensive internal communication strategy that links communications to our strategic goals, including the organization's mission and vision.

During 2024 we will continue to promote Lean - Continuous Process Improvement. This will require:

- Empowering staff to assess, evaluate, and streamline processes to enhance internal and external customer experience;
- Launching an enhanced Lean White Belt Certification and a new Lean Yellow Belt Certification.

Asset Management Department Memorandum

To: MaineHousing Board of Commissioners
From: Robert Conroy – Director, Asset Management
Date: October 16, 2023
Subject: October Board Report - Asset Management

HUD Annual Compliance Review (ACR)

We were recently notified by HUD that they are scheduling their annual review of our work. The HUD Compliance Review Team (CRT) will conduct a limited remote ACR of our Performance Based Annual Contributions Contract (PB-ACC) from October 5, 2023, to December 31, 2023.

The CRT will be requesting and reviewing specific documents pertaining to the applicable Incentive-Based Performance Standards (IBPS) tasks performed for the period from October 1, 2022, to September 30, 2023.

Our Entrance Conference with HUD staff responsible for conducting the review was held on Thursday, October 5, 2023.

New England Housing Finance Agency (NEHFA) Annual Conference

On November 1-3 several staff from the Department will be participating in the 34th annual NEHFA conference hosted this year by the Vermont State Housing Authority. This conference is focused on the work of the six State HFA Asset Management Departments and is viewed as the most substantive of all the conferences as it pertains to the work we do.

This conference originated in Maine in 1989 as a grassroots effort to develop stronger business relationships with the HFAs in the New England region and has grown to be the preeminent source of information and collaboration for the six Asset Management groups. We are fortunate to have the partnerships we have developed with our sister states over the past 34 years.



Development Department Memorandum

To: MaineHousing Board of Commissioners
From: Mark C. Wiesendanger, Director of Development
Date: October 24, 2023
Subject: Monthly Report

2024 LIHTC (9%) Applications

On September 21, MaineHousing received 8 Full Applications for the 2024 round of 9% Low Income Housing Tax Credit (LIHTC) funding. Scoring is underway.

Project Name	Developer	City	Family/ Senior	Total Units
3i Home at The Downs	POAH/ 3iHoME	Scarborough	Family	51
Avesta Seavey Street	Avesta	Westbrook	Senior	61
Equality Community Housing	Equality Community Center	Portland	Senior	54
Essex View	Penquis CAP	Bangor	Family	40
Martel School Apartments	LAAHDC	Lewiston	Senior	44
Oak Ridge Apartments	Realty Resources	Bath	Senior	30
Sunset Avenue	Bangor HA	Bangor	Senior	50
Varney Heights	Freeport HA	Freeport	Senior	42

2023 Rural Affordable Rental Housing Program

We have released an updated Requests for Proposal (RFP) for the Rural Affordable Rental Housing Program. The new program will be different from the last iteration in that it is a competitive funding round due to limited resources. Additional changes include an updated paying loan interest rate, increased subsidy amounts, and a program-specific Design and Construction Process and Requirements guide. A meeting was held at MaineHousing with the Genesis Fund on October 12 to discuss the new program with potential applicants.

Development Pipeline

Below you will find the Development Pipeline updated as of October 18. We expect that a small number of these projects will not see completion, and that predicted construction starts and completions will change as projects move forward.

Project Name	Developer	Program	City	Family/ Senior	Total Units
Completed in 2023					
155 Danforth	Developers Collaborative	4%	Portland	Family	30
Blake & Walnut	Raise-Op	4%	Lewiston	Family	18
Milliken Heights	Szanton	4%	OOB	Senior	55
The Uplands II	Developers Collaborative	4%	Scarborough	Senior	39
Mary Street Apartments	KVCAP	4%+State	Skowhegan	Family	40
Phoenix Flats	CHOM	4%+State	Portland	Senior	45
Front Street Re-Dev I	Portland HA	9%	Portland	Family	60
Sr. Living at the Marketplace	Tim Gooch	9%	Augusta	Senior	42
Washington Gardens	Portland HA	9%	Portland	Senior	100
West End Apts. Phase II	Avesta	9%	So. Portland	Family	52
Highpines Village Condos	Highpine Properties LLC	AHOP	Wells	Family	3
Stearns Farm	S.E. MacMillan Co, INC	AHOP	Hampden	Family	5
89 Olive Street	Penquis CAP	HTF	Bangor	Family	6
Tucker's House	LB Dev Part.	RHP	Bridgton	Supportive	10
Total Projects	14			Total Units	505
Under Construction - likely completed in 2023					
Brunswick Landing	Developers Collaborative		Brunswick	Family	36
Blueberry Ridge	Bangor HA	4%	Bangor	Senior	32
Jocelyn Place	SoPo HA	4%	Scarborough	Senior	60
Mountain View Apts	Bateman	4%	Fairfield	Senior	28
The Schoolhouse	CHOM	4%	Bangor	Family	66
Porter Station	Avesta	4%+State	Portland	Family	60
Great Cranberry Island	Cranberry Isles Realty Trust	Islands	Cranberry Island	Family	2
100 Ohio Street	CHOM	SHP	Bangor	Family	4
Total Projects	8			Total Units	288
Under Construction - likely completed in 2024					
One Edgemont Drive	ACAP	SHP	Presque Isle	Family	13
99 Western Ave	Mastway Development LLC	4%	Augusta	Family	38
Harrison Ridge	Developers Collaborative	4%	Bridgton	Senior	48
Hartland II	KVCAP	4%	Hartland	Senior	30
Millbrook Estates	Westbrook HA/EBM	4%	Westbrook	Senior	100
Stacy M. Symbol Apts	Westbrook HA	4%	Westbrook	Senior	60
Stroudwater Apartments	Westbrook HA	4%	Westbrook	Senior	55
Snow School Apartments	Avesta	4%+HTF	Fryeburg	Senior	28
Congress Square Commons	Developers Collaborative	9%	Belfast	Family	36
Front Street Re-Dev 2	Portland HA	9%	Portland	Senior	45
The Uptown	Szanton	9%	Bath	Senior	60

Village Commons	Avesta	9%	Scarborough	Senior	31
Highpines Village Condos	Highpine Properties LLC	AHOP	Wells	Family	17
Stearns Farm	S.E. MacMillan Co, INC	AHOP	Hampden	Family	18
Theresa Bray Knowles Place	Penquis Cap	HOME-ARP	Bangor	Family	36
18 Central Ave	Home Start	Islands	Peaks Island	Family	3
CICA 2022 Island Housing	CICA	Islands	Chebeague Island	Family	4
ICDC Town Acquisition	ICDC	Islands	Isle au Haut	Family	4
NHSH Affordable	NH Sustainable Housing	Islands	New Haven	Family	4
Reeby Road	Islesboro Affordable Property	Islands	Islesboro	Family	2
18 Green Street	Motivational Svs	HTF	Augusta	Family	8
55 Weston Ave	55 Weston Avenue LLC	Rural	Madison	Family	18

Total Projects 22 **Total Units 658**

Under Construction - likely completed in 2025

The Equinox	CHOM	4%+State	Portland	Family	43
Winter Landing	CHOM	4%+State	Portland	Senior	52
Berry Park Apartments	Northland Enterprises	4%	Biddeford	Family	46
Betsy Ross Crossing	SoPo HA	4%	So. Portland	Senior	52
Edgewater Village	Avesta	4%	Farmington	Senior	25
Fairview Commons	Brunswick HA	4%	Topsham	Family	38
Harbor Terrace	Portland HA	4%	Portland	Senior	120
Lambert Woods North	Maine Coop. Dev. Partners	4%	Portland	Family	74
Lockwood Mill	North River Co.	4%	Waterville	Family	65
Meadowview II	Avesta	4%	Gray	Senior	27
North Deering Gardens	Wingate Dev.	4%	Portland	Family	164
Wedgewood	Lewiston HA/Avesta	4%	Lewiston	Family	82
Adams Point	Biddeford HA	9%	Biddeford	Family	39
Landry Woods	South Portland Housing	9%	So. Portland	Senior	43
Milford Place	Penquis CAP	9%	Bangor	Senior	40
Oak Grove Commons	Realty Resources	9%	Bath	Family	34
Peasley Park	Developers Collaborative	9%	Rockland	Senior	49
Picker House Lofts	Szanton	9%	Lewiston	Family	72
Rumford Senior Living	Developers Collaborative	9%	Rumford	Senior	33
Sturgeon Landing	Augusta Housing	9%	Augusta	Family	32
Wildlands	Greater Portland Habitat	AHOP	Standish	Family	12
22 Shapleigh Road	Fairtide	Home ARP	Kittery	Family	6
Colonial Valley & Mt Blue	WMCA	Home ARP	Farmington	Family	33
Tucker's House Harrison	LB Development Partners	Recovery	Harrison	Supportive	10

Total Projects 24 **Total Units 1191**

Preliminary Underwriting

45 Dougherty	Szanton	4%	Portland	Family	63
Farwell Mill	Realty Resources	4%	Lisbon Falls	Family	96
Munjoy South	Avesta	4%	Portland	Family	106
Place St. Marie	Brisa Dev with Andy J	4%	Lewiston	Family	40
Riverton Park	Portland HA	4%	Portland	Family	182
Seton Tower	Kevin Mattson with Andy J	4%	Waterville	Family	68

Summer Block	Bateman	4%	Saco	Senior	32
89 Elm Apartments	Tom Watson & CO LLC	4% PLA	Portland	Family	201
3i Home at The Downs	POAH/3iHoME	9%	Scarborough	Family	51
Avesta Seavey Street	Avesta	9%	Westbrook	Senior	61
Equality Community Housing	Equality Community Center	9%	Portland	Senior	54
Essex View	Penquis CAP	9%	Bangor	Family	40
Martel School Apartments	LAAHDC	9%	Lewiston	Senior	44
Oak Ridge Apartments	Realty Resources	9%	Bath	Senior	30
Sunset Avenue	Bangor HA	9%	Bangor	Senior	50
Varney Heights	Freeport HA	9%	Freeport	Senior	42
19 Bodwell Street	Androscoggin Homes LLC	AHOP	Sanford	Family	9
Alexander Way	Boothbay Harbor Land Trust	AHOP	Boothbay Harbor	Family	7
Beals Ave WF Housing	LB Development Partners	AHOP	Ellsworth	Family	23
Clarks Bridge Crossing	Patco	AHOP	Waterboro	Family	9
Windward Estates	Penquis CAP	AHOP	Searsport	Family	7
OddFellows Apts.	Archer Properties LLC	Rural	Norway	Family	13
Berry's Block Apts.	Lake City Investments	Rural	Rockland	Family	9
520 Centre Street	Bath HA	Rural	Bath	Family	18
The Elm Estates	East Town Rentals	Rural	Presque Isle	Family	18
Mechanic Street	WLR Properties	Rural	Houlton	Family	18
Firefly Fields	Midcoast Habitat	Rural	Rockland	Family	10
Charles Jordan House	ME Prisoner Adv Coalition	SHP	Auburn	Supportive	11
Lupine Landing	Safe Voices	SHP	Farmington	Supportive	6
Seavey House	Biddeford Housing	SHP	Saco	Supportive	8
Total Projects	30			Total Units	1326

Total Projects All Stages	98			Total Units	3968
Total Projects in Underwriting & Construction	84			Total Units	3463



To: MaineHousing Board of Commissioners
From: Genevieve Soucy, Director Energy and Housing Services
Date: October 15, 2023
Subject: EHS Monthly Report

Home Energy Assistance Program (HEAP)

The Home Energy Assistance Program (HEAP) is a component of the LIHEAP grant which will provide eligible applicants a benefit to cover a portion of their heating costs. Applications for the program are taken July – May. A household must meet the income guidelines each year and must have a direct, or indirect, heating burden.

	PY 2024	PY 2023	% Change
Total Applications Taken	24,703	22,252	+ 11.0%
Confirmed Eligible	12,959	7,924	+ 63.5%
Pending (in process)	9,107	13,174	- 30.9%
Other (ineligible, denied, void etc.)	2,637	1,154	+ 128.5%

Additional information:

- **HEAP Manager** – EHS is pleased to announce that we have filled the position of HEAP Manager, Kathryn Levesque started on October 10th. Kathryn brings to the team her experience with Human Resources, project implementation, monitoring and compliance as well as administering trainings in the community and a passion for employee engagement.
- **Training with CAA’s** – CAA’s will participate in a training hosted by MaineHousing for the Emergency Crisis Intervention Program. This is an annual training is held as a refresher prior to the start of the program component which begins November 1st.
- **First payment run** – EHS is preparing to make the first round of payments on October 23rd. MaineHousing will be loaning the program funding to make the first payment prior to funding being available from HHS.

Weatherization Assistance Programs (WAP)

WEATHERIZATION							
Reporting Period: January 1, 2023 – October 15, 2023							
	Projects	Readiness Jobs	Total Cost	Program Delivery & Support	DOE Funded	DOE Wx Readiness	HEAP Funded
TOTAL	249	32	\$4,515,136	\$1,577,600	\$1,280,548	\$280,050	\$1,376,939
2022 TOTAL	319	1	\$6,442,853	\$2,017,550	\$1,545,698	\$6,700	\$1,705,181

Central Heating Improvement Program (CHIP)

The Central Heating Improvement Program (CHIP) provides grants to households that are HEAP eligible to assist with heating system repairs or replacements, Chimney and Oil Tank repairs or replacements. Funding for the CHIP program is from the DHHS LIHEAP grant as well as State HOME funds. To be determined eligible, Households must have an approved Fuel Assistance Application in the prior 12 months to qualify for service.

CENTRAL HEATING IMPROVEMENT							
Reporting Period: January 1, 2023 – October 15, 2023							
	Projects	Total Cost	Program Delivery & Support	Projects	Heating System CTE, Repair or Replacement	Projects	Chimney or Oil Tank Repairs or Replacements
TOTAL	1,884	\$5,576,665	\$920,533	1,645	\$3,998,655	239	\$657,477
2022 TOTAL	2,506	\$6,772,882	\$1,185,574	2,121	\$4,369,621	385	\$1,217,687

Home Accessibility and Repair Program (HARP)

The Home Accessibility and Repair Program (HARP) provides grants to income eligible homeowners for professional home repairs and accessibility modifications. The HARP is delivered statewide through the network of Community Action Agencies (CAAs).

HARP PROGRESS							
Reporting Period: January 1, 2023 – September 10, 2023							
	Program Delivery & Support	Home Repair		Emergency		2023 Wx Readiness	
TOTAL	\$326,358.30	59	\$766,092	95	\$1,177,489	7	\$70,528
2022 Program	\$832,625.20	117	\$2,070,223	121	\$2,092,903		

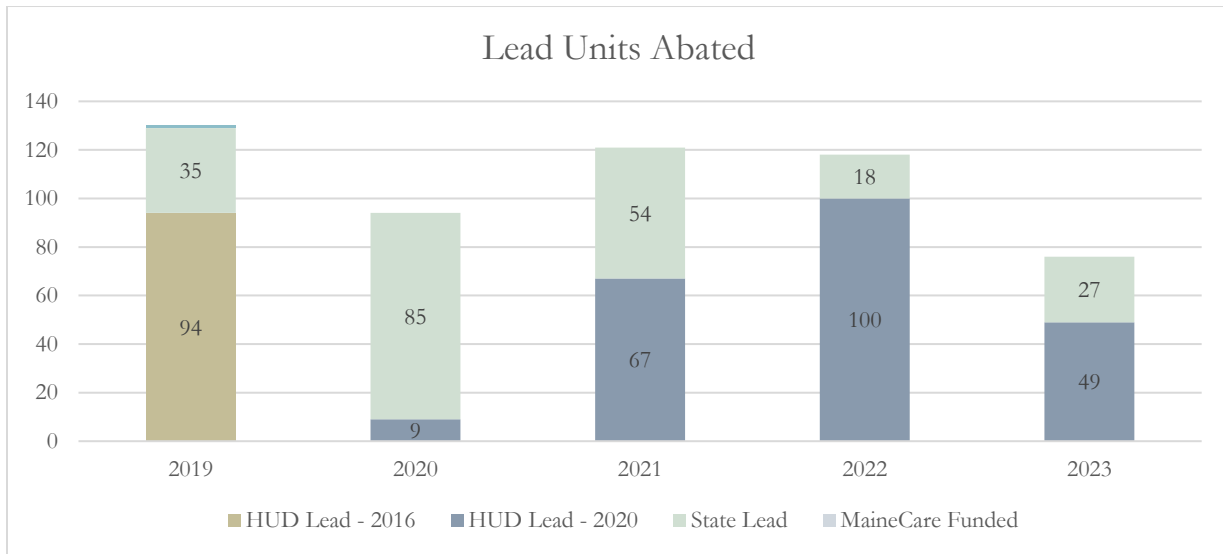
Heat Pump Installation Program (HPP)

The Heat Pump Installation Program (HPP) will install a heat pump for eligible households where it is determined that a heat pump will reduce the households energy burden. Funding for this program component has come from the LIHEAP grant. Beginning August 1, 2023, Heat Pumps will be installed with funding made available from Department of Energy grant.

HEAT PUMP				
Reporting Period: January 1, 2023 – October 15, 2023				
	Projects	Total Cost	Program Delivery & Support	Heat Pump Installation Costs
2023 YTD	557	\$2,864,661.89	\$526,211.88	\$2,338,450.01
2022 TOTAL	1,697	\$3,265,421.66	\$682,844.44	\$2,582,577.22

Lead Abatement Program

MaineHousing works with two Community Action Agencies to deliver the Lead Abatement Programs across the State. Currently there are two funding sources used to abate units, HUD’s three year Lead Abatement Program and the State HOME funded Lead Abatement Program.



Additional Information

Approved Grant – MaineHousing has received \$1.4million for a State Lead Abatement program funded through the CDC and DHHS, this is a 15month program. The funding may be braided with HUD Lead Abatement funding to be used in homes where a MaineCare eligible child resides.

Low Income Assistance Plan (LIAP)

The Low Income Assistance Plan (LIAP) provides a credit to an eligible households electricity account. The LIAP program is funded by contributions from Transmission and Distribution electricity providers and the program Rules and Orders are governed by the MPUC. Additional assistance for Households who require electricity for an oxygen pump or ventilator are also available as part of this program.

Low Income Assistance Plan (LIAP)				
Reporting Period: October 1, 2022 - June 30, 2023				
Utility	Oxygen/Vent Participants	Oxygen/Vent Credits Provided	LIAP Participants	Credits Provided
Quarter 1 Oct - Dec.	484	\$ 112,490.41	17,994	\$ 3,007,389.95
Quarter 2 Jan - Mar	1,471	\$ 231,959.47	34,016	\$ 4,557,551.17
Quarter 3 Apr - June	1,599	\$ 74,505.03	37,536	\$ 639,137.54
Quarter 4 July - Sept		\$ -		\$ -
TOTAL	1,599	\$ 418,954.91	37,536	\$ 8,204,078.66
2022 TOTAL	1,078	\$ 250,224.85	29,869	\$10,338,389.02

Additional information:

- **Additional Funding** – The recently passed State budget included an additional \$7.5million for Program Years 2024 and 2025. The additional funding will allow an expansion in eligibility for DHHS enrollees, up to 150% of Federal Poverty, and may allow for higher benefits for all enrollees.

Well Water Abatement

The Well Water Abatement program provides grants for the abatement of contaminants in private wells to provide safe drinking water for income eligible, single-family homeowners and income eligible landlords for dwellings with four rental units or less. The grants will cover well water testing as well as a point of use or point of entry system depending upon needs. Funding for this program is from LD-1891 passed in 2022, the program will continue until funding is exhausted.

WELL WATER ABATEMENT PROGRAM	
REPORT PERIOD: January 1, 2023 – September 10, 2023	
Number of Inquires	120
Number of Applications Received	26
Number of Filtration Systems Installed	11
Number of Water Test Completed	51
Program Allocated Funds	\$ 500,000.00
Expenditures for Water Tests and Filtration Systems	\$ 71,738.45
Available Funds	\$ 428,261.55

Water Assistance Program (LIHWAP)

In 2021, MaineHousing was provided with \$3 million to administer a water/wastewater assistance program for low to moderate income households. This program is ending September 30, 2023 with a no cost period of performance extension approved. This program has assisted over 2,000 households pay arrears for water and waste water services as well as providing a benefit for future expenses. A second supplemental payment will be provided to previously eligible households to fully expend the available funding.

Quarter 3 Client Survey Results

Client Program Survey Cards

The Community Action Agencies (CAAs) who administer our programs are required to leave *Client Survey Cards* with the client when a project is complete. The clients have the option to enter their responses electronically or they can complete the card and mail it to MaineHousing's office. The Energy and Housing Services (EHS) staff review and share the detailed results with the appropriate CAA to improve the delivery of MaineHousing's programs.

Reporting Period: June, 2023 through August 30, 2023

Statewide Client Survey Summary

1. **Total number of survey responses received:** 65
2. **Overall client experience:**
 - a. 72% indicated the experience exceeded their expectations.
 - b. 26% indicated the experience met their expectations.
 - c. 2% did not answer this question.
 - d. 0% indicated their experience was not met.
3. **The person/people who completed the work were professional and courteous:**
 - a. 74% indicated they **strong agree** with the statement.
 - b. 23% indicated they **agree**.
 - c. 2% did not answer this question.
 - d. 1% disagreed with the statement.
4. **The client felt involved in the process:**
 - a. 60% indicated they **strongly agree** with the statement.
 - b. 32% indicated they **agree**.
 - c. 6% did not answer this question.
 - d. 2% disagree with the statement.
5. **The client indicated their home was comfortable and safe as a result of the work:**
 - a. 58% indicated they **strongly agree** with the statement.
 - b. 32% indicate they **agree**.
 - c. 6% did not answer this question.
 - d. 2% disagreed with the statement.
6. **The client indicated they would recommend this program to someone else:**
 - a. 97% stated **Yes**, they would recommend the program.
 - b. 2% did not answer this question.
 - c. 2% stated they would not recommend the program.

Finance Department Memorandum

To: Board of Commissioners
From: Darren R. Brown
Date: October 10, 2023
Subject: Monthly Report – Finance Department

ACCOUNTING AND FINANCIAL REPORTING (AFR):

- The federal compliance single audit for the year ended December 31, 2022 was completed in September and the audit reports were filed with the Federal Audit Clearinghouse and HUD’s Real Estate Assessment Center. This compliance audit is an annual audit of federally funded programs to determine whether the programs have been administered in compliance with federal requirements.

MaineHousing administered and disbursed approximately \$451 million through thirty-three different federal programs in 2022. Major programs are audited on a rotating basis. The major programs for the 2022 audit are the Emergency Rental Assistance Programs (ERA 1 and ERA 2), Grant for Homeless Shelters and Housing Navigation Pilot Program (State & Local Fiscal Recovery Fund), and the Emergency Solution Grant Program.

There were no audit findings or questioned costs and the audit reports contain an unmodified (a.k.a. “clean”) auditors’ opinion. This means that MaineHousing has administered programs and complied, in all material respects, with federal guidelines and requirements. The audit reports along with a content summary is included within this section of your packet.

- Work is continuing on MaineHousing’s budgets for 2024. In September, we assisted the departments as they prepared their budget packets and we are working to consolidate all of the information from the departments into the agency-wide budgets. Preliminary budgets will be made available and presented at the November meeting for your input and feedback. Final budgets will be presented in December for a vote.
- Brenda Chabre, Program Accountant, is retiring on October 13th. Brenda has worked at MaineHousing for eleven years and has performed the accounting functions for a multitude of programs. She is an extraordinarily detailed person who has done amazing work with this position. We are truly grateful to have had Brenda as member of our team. We congratulate her on her retirement and wish her the very best in all her future endeavors.

Jennifer Reitze, our Accounts Payable Accountant, has been promoted to the Program Accountant position. Jennifer has been the Accounts Payable Accountant for six years and will continue to be a tremendous asset to the Finance team in her new role. Replacing Jennifer is Jazalyn Boone. Jazalyn started at MaineHousing in June as a HEAP Program Assistant in the Energy and Housing Services

Department. Prior to MaineHousing, Jazalyn most recently worked at McLane Foodservice reviewing and auditing payroll registers and processes in Concord, NC.

LOAN ADMINISTRATION:

- Staff are in the process of preparing for the annual quality control review of the portfolio of loans serviced by Mortgage Servicing Solutions (MSS). MSS currently services approximately 67% of MaineHousing's single family loan portfolio, which amounts to approximately \$660 million. The purpose of this review is to ensure compliance with FHA and USDA servicing requirements, per regulatory guidelines. The review will be conducted later this month.
- Recruitment activities to fill the vacant Foreclosure Specialist position have been completed and Kayleigh Ogden will be joining MaineHousing on October 23rd. This position coordinates and performs functions associated with the resolution of delinquent and troubled loans. It also handles foreclosure activities. Kayleigh comes to MaineHousing with extensive experience in lending and default servicing. As a member of Community Credit Union's team since 2016, Kayleigh held several positions, including Director of Lending and Member Solutions, AVP of Financial Operations, Asset Quality Specialist and Payment Services Coordinator.



MaineHousing

MAINE STATE HOUSING AUTHORITY

Finance Department Memorandum

To: Board of Commissioners

From: Darren R. Brown

Date: October 10, 2023

Subject: 2022 Federal Programs Compliance Audit Reports

Attached are the federal compliance audit reports for the year ended December 31, 2022. Baker Newman & Noyes completed their audit work and issued their reports on September 19th. These reports must be filed with the federal Single Audit Clearinghouse and the HUD Real Estate Assessment Center (REAC) within nine months after the end of the fiscal year, which for MaineHousing is September 30th.

The 2022 audit reports contain no audit findings or questioned costs. Jason Emery from Baker Newman & Noyes reviewed their objectives and procedures for this audit at the April Board meeting. The following is a brief overview of the sections presented in the attached reports:

- *Basic Financial Statements* (pages 1-47) - The audit reports for these financial statements were issued on March 29, 2023. The audit procedures and results for this audit were presented and reviewed at the April meeting and the financial results contained in this section were reviewed at the May meeting.
- *Schedule of Expenditures of Federal Awards* (page 48-50) - This schedule presents the total amount of program expenditures in 2022 for each federal program administered by MaineHousing.
- *Notes to Schedule of Expenditures of Federal Awards* (page 51) - This page presents required footnote disclosures regarding the *Schedule of Expenditures of Federal Awards*.
- *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters* (pages 52-53) – This report was issued in March as part of the financial statements audit and there were no audit matters reported.
- *Independent Auditors' Report on Compliance* (pages 54-56) – This is the auditors' opinion for the compliance audit. The report contains an unmodified (a.k.a. “clean”) opinion stating that MaineHousing has complied, in all material respects, with program compliance requirements.
- *Schedule of Findings and Questioned Costs* (page 57-58) – There are no audit findings or questioned costs reported.
- *Summary of Schedule of Prior Audit Finding* (page 59) – This page presents the status of audit findings from the prior year. All prior year audit findings have been resolved.



Maine State Housing Authority

Basic Financial Statements,
Management's Discussion and Analysis
and Required Supplementary Information with
Independent Auditors' Report

and

Reports Required for Audits in Accordance with
Government Auditing Standards and
Title 2 U.S. Code of Federal Regulations (CFR) Part 200,
*Uniform Administrative Requirements, Cost Principles,
and Audit Requirements for Federal Awards*

Year Ended December 31, 2022

Baker Newman & Noyes LLC
MAINE | MASSACHUSETTS | NEW HAMPSHIRE
800.244.7444 | www.bnn CPA.com



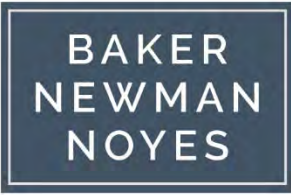
MAINE STATE HOUSING AUTHORITY

FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

TABLE OF CONTENTS

Independent Auditors' Report	1 – 2
Management's Discussion and Analysis	3 – 11
Basic Financial Statements:	
Agency – Wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Statement of Net Position – Proprietary Funds	14
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	15
Statement of Cash Flows – Proprietary Funds	16
Balance Sheet – Governmental Funds	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	18
Notes to Financial Statements	19 – 46
Required Supplementary Information:	
Schedule of MaineHousing's Proportionate Share of the Net Pension Liability (Asset)	47
Schedule of MaineHousing's Pension Contributions	47
Schedule of Expenditures of Federal Awards	48 – 50
Notes to Schedule of Expenditures of Federal Awards	51
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	52 – 53
Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	54 – 56
Schedule of Findings and Questioned Costs	57 – 58
Summary Schedule of Prior Audit Findings	59



INDEPENDENT AUDITORS' REPORT

To The Board of Commissioners
Maine State Housing Authority

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund, of Maine State Housing Authority (MaineHousing), a component unit of the State of Maine, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise MaineHousing's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of MaineHousing, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of MaineHousing and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MaineHousing's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To The Board of Commissioners
Maine State Housing Authority

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 MaineHousing's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MaineHousing's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of MaineHousing's Proportionate Share of the Net Pension Liability (Asset) and Schedule of MaineHousing's Pension Contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Baker Newman & Noyes LLC
Portland, Maine
March 29, 2023

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

Management's discussion and analysis provides an overview of the Maine State Housing Authority's (MaineHousing) financial activities for the year ended December 31, 2022. It should be read in conjunction with the audited financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

- MaineHousing's net position increased by \$8.6 million to \$414.9 million as a result of program operations and financing activities. The net position of the proprietary funds, which present MaineHousing's business-type activities, decreased \$4 million while the net position of governmental activities increased \$12.6 million.
- The Government Accounting Standards Board (GASB) require investment securities be reported at their fair value. The reduction in the proprietary funds net position is attributed to a significant change in the fair value of investments and the recognition of a \$15.2 million unrealized loss in 2022. Excluding the unrealized loss, the proprietary funds net position increased by \$11.2 million due mainly to higher income from investments.
- MaineHousing's loan portfolio increased by \$160.6 million in 2022. The increase was driven by an all-time high volume of loan production and a substantial reduction in loan prepayments. Single-family loan purchases and multi-family loan originations both reached record levels in 2022. Single-family loan purchases amounted to \$177.5 million, while multi-family loan originations totaled \$113.1 million. Loan prepayment activity declined from an historic high in 2021 and decreased by \$72 million or 44.9%.
- Total revenues from governmental activities increased by \$121.1 million or 32.3% to \$495.9 million, which was an all-time high for MaineHousing. The increase is due largely to federal program funds provided in response to the COVID-19 pandemic. MaineHousing administered a number of different pandemic relief programs for the State of Maine and received a total of \$261.9 million in 2022, which is an increase of \$92.3 million or 54.4% over 2021.

OVERVIEW OF MAINEHOUSING

MaineHousing was created in 1969 by an Act of the Maine State Legislature and is a public corporation and government instrumentality of the State of Maine. MaineHousing was established to assist in the financing, development, and rehabilitation of housing in Maine for persons and families of low and moderate income. In this capacity, MaineHousing is authorized to issue bonds for the purchase or origination of notes and mortgages on single-family and multi-family residential properties.

MaineHousing also acts as an agent for the State of Maine in administering various federal housing and energy related programs. These programs are funded through grants and program agreements with the federal government's departments of Housing and Urban Development, Energy, and Health and Human Services, as well as capital and operating subsidies from MaineHousing's own funds.

MaineHousing is a component unit of the State of Maine and receives certain appropriations from the Maine State Legislature, all of which are used in connection with specified housing related programs. MaineHousing also receives federal subawards through the State of Maine and is a subrecipient for various federal programs.

OVERVIEW OF THE FINANCIAL STATEMENTS

MaineHousing's financial statements consist of three parts – this management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include agency-wide financial statements, fund financial statements, and notes to the financial statements.

- Agency-wide financial statements provide information about MaineHousing's overall financial position and operations. These statements, which are presented using the accrual basis of accounting, consist of the Statement of Net Position and the Statement of Activities.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

- Fund financial statements of MaineHousing include its major proprietary funds, which operate similarly to private-sector businesses, and governmental funds, which consist of activities that are funded from federal grants and state appropriations.
- The basic financial statements include notes to financial statements that provide additional information and explain some of the information in the agency-wide and fund financial statements.
- The required supplementary information presents historical pension information.

The remainder of this overview section of the management's discussion and analysis explains the structure and contents of each of these statements.

Agency-wide Statements

Agency-wide statements report information about MaineHousing as a whole using accounting methods similar to those used by private sector companies. The Statement of Net Position presents MaineHousing's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The Statement of Activities presents current year revenues and expenses.

The two agency-wide statements report MaineHousing's net position and results of operations. Net position is one measure of MaineHousing's financial health and position. Agency-wide financial statements are divided into two categories:

- *Business-type activities* – MaineHousing's business-type activities consist of providing mortgage financing on single-family and multi-family residential properties. These activities are funded primarily through the issuance of bonds.
- *Governmental activities* – MaineHousing administers various state and federal housing and energy related programs. These activities are financed by grant and program agreements with the federal government and appropriations from the Maine State Legislature.

Fund Financial Statements

The fund financial statements provide more detailed information about MaineHousing's most significant funds and not MaineHousing as a whole. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. MaineHousing has two kinds of funds:

- *Proprietary funds* – MaineHousing's business-type activities are in its proprietary funds and they are accounted for in a manner similar to businesses operating in the private sector. Funding is primarily through the issuance of bonds, the proceeds of which are mainly used to make various types of loans to finance low and moderate-income housing. The net positions of these funds represent accumulated earnings since their inception and interest rate subsidy amounts contributed from governmental funds. Amounts in the funds are generally restricted for program purposes.
- *Governmental funds* – MaineHousing has six major governmental funds. MaineHousing is the administrator of these funds, the revenues of which are appropriated to MaineHousing for making housing and energy related grants and loans. These fund statements focus on how cash and other financial assets flowing into the funds have been used. A substantial portion of the fund balances for these funds consist of investments reserved for grants or making mortgage loans.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

AN OVERVIEW OF MAINEHOUSING'S FINANCIAL POSITION AND OPERATIONS

MaineHousing's financial position and operations are summarized on the following pages for the years ended December 31, 2022 and 2021 based on the information included in the financial statements.

Statement of Net Position
(in millions of dollars)

	Business-type Activities		Governmental Activities		Total		Total Percentage Change
	2022	2021	2022	2021	2022	2021	
Cash and investments	\$530.4	\$466.9	\$74.8	\$90.9	\$605.2	\$557.8	8.5%
Mortgage and other notes receivable	1,519.9	1,371.9	51.2	38.6	1,571.1	1,410.5	11.4%
Other assets	4.1	14.7	70.2	56.6	74.3	71.3	4.2%
Total Assets	2,054.4	1,853.5	196.2	186.1	2,250.6	2,039.6	10.3%
Total Deferred Outflows of Resources	2.9	13.5	0.3	0.4	3.2	13.9	(77.0%)
Bonds and notes payable	1,688.6	1,513.6	54.3	58.0	1,742.9	1,571.6	10.9%
Other Liabilities	22.0	19.7	54.7	52.7	76.7	72.4	5.9%
Total Liabilities	1,710.6	1,533.3	109.0	110.7	1,819.6	1,644.0	10.7%
Total Deferred Inflows of Resources	19.0	2.0	0.3	1.2	19.3	3.2	503.1%
Investment in capital assets	2.7	2.7	0.0	0.0	2.7	2.7	0.0%
Restricted	287.8	293.6	87.2	74.6	375.0	368.2	1.8%
Unrestricted	37.2	35.4	0.0	0.0	37.2	35.4	5.1%
Total Net Position	\$327.7	\$331.7	\$87.2	\$74.6	\$414.9	\$406.3	2.1%

Total assets at December 31, 2022 were \$2.25 billion, an increase of \$211 million or 10.3% from December 31, 2021. The change in assets consisted primarily of a \$47.4 million increase in cash and investments and a \$160.6 million net increase to mortgage notes receivables.

Total deferred outflows of resources decreased \$10.7 million or 77% and consist of deferred amounts associated with debt refundings and pension expenses at December 31, 2022. At December 31, 2021, the interest rate swap agreements had an aggregate negative fair value and the deferred outflows of resources included a \$10.1 million accumulated decrease in the fair value of hedging derivatives. In 2022, the fair value of the swaps increased by \$28.7 million and have an aggregate positive fair value of \$18.6 million at December 31, 2022. The accumulated increase in fair value of hedging derivatives is recorded as a deferred inflow of resources.

Total liabilities at December 31, 2022 were \$1.82 billion, an increase of \$175.6 million or 10.7% from December 31, 2021. The increase in liabilities is due to higher outstanding bonds and notes payable, which increased by \$171.3 million to \$1.74 billion at December 31, 2022.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

Cash and Investments

Total cash and investments increased by \$47.4 million or 8.5% due primarily to higher unexpended bond proceeds and program awards at December 31, 2022. MaineHousing's investment portfolio is comprised of securities of the U.S. Government, certain Federal agencies, or repurchase agreements and money market funds that are secured by such securities. Investments are carried at fair value and unrealized gains and losses due to fluctuations in market values are recognized in revenues. In 2022, the fair value of investments decreased significantly and \$15.2 million of unrealized losses were recorded compared with \$1 million of unrealized losses in 2021.

Mortgage and Other Notes Receivable

Total net mortgages and other notes receivable increased \$160.6 million or 11.4% in 2022. Total mortgage purchases and originations amounted to \$290.6 million, which is an increase of \$121 million or 71.3% compared with 2021. Single-family loan purchases amounted to \$177.5 million, which is an increase of \$63.6 million or 55.8% from 2021. Multi-family loan originations totaled \$113.1 million; an increase of \$57.4 million or 103.1% from 2021.

Scheduled loan repayments in 2022 amounted to \$40.7 million, which is a decrease of \$16.9 million or 29.3% from the previous year's level of \$57.6 million. Scheduled repayments from multi-family loans with short-terms were lower in 2022. Loan prepayments decreased substantially in 2022 by \$72 million or 44.9% to a total of \$88.2 million. The decrease was due to an increase in market interest rates during the year, which reduced the volume of single-family loans that were refinanced outside MaineHousing.

Loan foreclosures totaled \$1.6 million in 2022 and \$1 million in 2021. The allowance for loan losses at December 31, 2022 amounted to \$8.1 million, which is a decrease of \$0.7 million from December 31, 2021.

Bonds and Notes Payable

Bonds and notes payable increased \$171.3 million or 10.9% to \$1.74 billion at December 31, 2022. MaineHousing issues bonds or notes as capital is needed for program purposes and as opportunities for economic refunding occur. For additional details, see the Debt Activity section of the Management's Discussion and Analysis.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

Net Position

MaineHousing's net position increased by \$8.6 million or 2.1% to \$414.9 million as a result of program operations and financing activities. For additional information on the net position changes, see the Results of Operations section of the Management's Discussion and Analysis.

MaineHousing's business activities are in the proprietary funds and are dissimilar to the activities in the governmental funds. The combined results of operations for both MaineHousing's proprietary and governmental funds are presented on the following table for the years ended December 31, 2022 and 2021:

Agency-wide Changes in Net Position
(in millions of dollars)

	<u>2022</u>	<u>2021</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percentage</u>
Revenues:				
Interest from mortgages and notes	\$60.2	\$60.1	\$0.1	0.2%
Income from investments	9.2	1.2	8.0	667.0%
Net decrease in fair value of investments	(15.2)	(1.0)	(14.2)	1,420.0%
Fee income	13.8	12.4	1.4	11.3%
Grants and subsidies	483.8	364.7	119.1	32.7%
Other	0.7	1.2	(0.5)	(41.7%)
Total revenues	<u>552.5</u>	<u>438.6</u>	<u>113.9</u>	<u>26.0%</u>
Expenses:				
Operating and other program expenses	30.1	26.5	3.6	13.6%
Interest expense	41.8	42.1	(0.3)	(0.7%)
Grants and subsidies	<u>472.0</u>	<u>343.9</u>	<u>128.1</u>	<u>37.3%</u>
Total expenses	<u>543.9</u>	<u>412.5</u>	<u>131.4</u>	<u>31.9%</u>
Increase in net position	8.6	26.1	(17.5)	(67.1%)
Net position at beginning of year	<u>406.3</u>	<u>380.2</u>	<u>26.1</u>	<u>6.9%</u>
Net position at end of year	<u><u>\$414.9</u></u>	<u><u>\$406.3</u></u>	<u><u>\$8.6</u></u>	<u><u>2.1%</u></u>

Changes in business-type and governmental activities are explained in the following Results of Operations sections.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

RESULTS OF OPERATIONS

Proprietary Funds Results

The net position of MaineHousing's proprietary funds decreased by \$4 million or 1.2% and totaled \$327.7 million at December 31, 2022. The following table summarizes the Statement of Revenues, Expenses and Changes in Net Position of MaineHousing's proprietary funds for the years ended December 31, 2022 and December 31, 2021:

Proprietary Funds Statement of Revenues, Expenses and Changes in Net Position <i>(in millions of dollars)</i>				
	<u>2022</u>	<u>2021</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percentage</u>
Operating revenues:				
Interest from mortgages and notes	\$60.1	\$60.0	\$0.1	0.2%
Income from investments	8.1	1.2	6.9	575.0%
Net decrease in fair value of investments	(15.2)	(1.0)	(14.2)	1,420.0%
Fee income	2.9	2.5	0.4	16.0%
Other revenue	0.7	1.1	(0.4)	(36.4%)
Total revenues	<u>56.6</u>	<u>63.8</u>	<u>(7.2)</u>	<u>(11.3%)</u>
Operating expenses:				
Operating and other program expenses	21.6	18.2	3.4	18.7%
Interest expense	40.8	41.3	(0.5)	(1.2%)
Total expenses	<u>62.4</u>	<u>59.5</u>	<u>2.9</u>	<u>4.9%</u>
Net Operating (loss) income	(5.8)	4.3	(10.1)	(234.9%)
Transfers in	1.8	1.4	0.4	28.6%
Change in net position	<u>(4.0)</u>	<u>5.7</u>	<u>(9.7)</u>	<u>(170.2%)</u>
Net position at beginning of year	<u>331.7</u>	<u>326.0</u>	<u>5.7</u>	<u>1.7%</u>
Net position at end of year	<u><u>\$327.7</u></u>	<u><u>\$331.7</u></u>	<u><u>(\$4.0)</u></u>	<u><u>(1.2%)</u></u>

Operating revenues of MaineHousing's business-type activities are generated principally from earnings on mortgages and investments. Total revenues from business-type activities decreased \$7.2 million or 11.3% in 2022 and amounted to \$56.6 million. Operating expenses of MaineHousing's business-type activities consist primarily of interest expense on debt incurred to fund its various lending programs. The expenses for business-type activities totaled \$62.4 million in 2022, which is an increase of \$2.9 million or 4.9%.

The 2022 operating results and net position of MaineHousing's proprietary funds were significantly affected by the following:

- The net operating loss of \$5.8 million in 2022 is due to a net decrease in fair value of investments. Interest rate increases during the year generated an unrealized loss on investments of \$15.2 million. This is a \$14.2 million decrease compared with the unrealized loss of \$1 million in 2021.
- Income from investments increased by \$6.9 million or 575%. Average investment yields were substantially higher in 2022 due to interest rate increases throughout the year.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

- Operating and other program administrative expenses increased by \$3.4 million or 18.7%. The increase in operating expenses was due to additional staff and personnel expenses as a result of an increase in program activities in 2022. Program administrative expenses for single-family loan origination fees and costs associated with the issuance of bonds increased by \$1.1 million and \$0.6 million, respectively, due to an increase in loan originations and new bond issuances.

Governmental Fund Results

The net position of MaineHousing's governmental funds increased by \$12.6 million or 16.9% and totaled \$87.2 million at December 31, 2022. The following table summarizes the Statement of Revenues, Expenditures, and Changes in Fund Balances of MaineHousing's governmental funds for the years ended December 31, 2022 and December 31, 2021:

Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances <i>(in millions of dollars)</i>				
	<u>2022</u>	<u>2021</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percentage</u>
Revenues:				
Income from mortgages and notes	\$0.1	\$0.1	\$0.0	0.0%
Income from investments	1.1	0.0	1.1	n/a
Fee income	10.9	9.9	1.0	10.1%
Grant income	373.2	255.0	118.2	46.4%
Federal rent subsidy income	110.6	109.7	0.9	0.8%
Other revenue	0.0	0.1	(0.1)	(100.0%)
Total revenues	<u>495.9</u>	<u>374.8</u>	<u>121.1</u>	<u>32.3%</u>
Expenditures:				
Program administrative expenditures	8.5	8.3	0.2	2.4%
Interest expenditures	1.0	0.8	0.2	25.0%
Grant expenditures	360.6	234.8	125.8	53.6%
Federal rent subsidy expenditures	111.4	109.1	2.3	2.1%
Total expenditures	<u>481.5</u>	<u>353.0</u>	<u>128.5</u>	<u>36.4%</u>
Revenues in excess of expenditures	14.4	21.8	(7.4)	(33.9%)
Transfers out	<u>(1.8)</u>	<u>(1.4)</u>	<u>(0.4)</u>	<u>28.6%</u>
Change in fund balances	12.6	20.4	(7.8)	(38.2%)
Fund balances at beginning of year	<u>74.6</u>	<u>54.2</u>	<u>20.4</u>	<u>37.6%</u>
Fund balances at end of year	<u><u>\$87.2</u></u>	<u><u>\$74.6</u></u>	<u><u>\$12.6</u></u>	<u><u>16.9%</u></u>

MaineHousing's total revenues from governmental activities are generated primarily from federal grants and rent subsidy income. MaineHousing also receives program revenues from the State of Maine. Revenues from governmental activities total \$495.9 million in 2022, which is an increase of \$121.1 million or 32.3%.

MaineHousing's governmental activities expenditures consist primarily of federal grants and rent subsidies payments. Total expenditures increased \$128.5 million or 36.4% to \$481.5 million for 2022.

MaineHousing earns fees for administering federal programs, which amounted to \$10.9 million in 2022. Typically, fees earned provide MaineHousing with a revenue source adequate to recover direct and indirect costs of delivering related services.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

The 2022 operating results and net position of MaineHousing's governmental funds were significantly affected by the following:

- Revenues exceeded expenditures in 2022 by \$14.4 million, which is \$7.4 million or 33.9% lower than the \$21.8 million for 2021. The decrease is attributed primarily to higher grant expenditures in the HOME Fund. Grant revenues in the HOME Fund are principally from real estate transfer taxes collected by the State. Although revenues from real estate transfer taxes in 2022 were comparable to 2021, related grant expenditures were \$8.9 million higher in 2022.
- Income from investments increased by \$1.1 million due to higher average investment yields in 2022.
- Administrative fee income increased by \$1 million or 10.1% as a result of the additional federal program funds in 2022.
- Grant income increased by \$118.2 million or 46.4% due largely to additional federal program funds provided in response to the COVID-19 pandemic. A total of \$261.9 million was received in 2022 for COVID-19 relief programs, which is an increase of \$92.3 million or 54.4% over 2021. Total grant expenditures also increased in 2022 as a result of higher available federal grant receipts.
- Federal rent subsidy expenditures, which are expenditures associated with various HUD Section 8 programs, increased \$2.3 million or 2.1% due to higher available income for the Section 8 Housing Choice Voucher and Performance Based Contract Administration programs.

DEBT ACTIVITY

MaineHousing is authorized to issue housing revenue bonds to purchase or originate mortgages or notes on single-family and multi-family residential properties. Total bonds outstanding at December 31, 2022 amounted to \$1.72 billion; an increase of \$173.3 million or 11.2% from 2021. Bond issuances in 2022 totaled \$393.3 million, while principal payments on bonds totaled \$220 million. MaineHousing redeemed prior to maturity \$207.4 million of its outstanding bonds in 2022 from reserve funds, mortgage prepayments, surplus revenues, and the proceeds of bond refundings. Scheduled principal payments on bonds totaled \$12.6 million in 2022.

MaineHousing issues variable rate bonds and enters into interest rate swap agreements to provide synthetically fixed interest rates on a portion of the variable rate bonds. At December 31, 2022, the total amount of variable rate debt outstanding was \$282.9 million and represented 16.4% of the \$1.72 billion total bond portfolio. Thirteen interest rate swap agreements have been executed with four counterparties in connection with \$207.6 million of the variable rate bonds to effectively convert them to synthetic fixed rate bonds.

Bonds in MaineHousing's General Mortgage Purchase Bond Resolution were rated Aa1 and AA+ by Moody's Investor Service and Standard & Poor's, respectively, in 2022.

MaineHousing may enter into loan agreements for program and capital funding purposes. At December 31, 2022, MaineHousing had \$14.3 million of outstanding notes payable in its General Administrative Fund. Notes payable decreased by \$0.6 million from 2022 as a result of principal payments. All proceeds from the loan associated with the outstanding balance at December 31, 2022 provided capital funding for the development of an office facility for MaineHousing.

For additional information about MaineHousing's mortgage bonds and notes payables, see Notes 6, 7, 9, 14, and 16 to the financial statements.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2022**

ADDITIONAL INFORMATION

MaineHousing's main sources of revenues consist of interest from mortgage loans, investment interest income, and federal and state funded grants and subsidies.

Market interest rates have an effect on both the mortgage program and investment income revenues. If interest rates increase, as occurred in 2022, mortgage and investment income should increase as new loans are originated and new investments are purchased at higher rates. If interest rates decrease, mortgage and investment income should decrease as new loans are originated and new investments are purchased at lower rates. Any decrease in interest rates could also cause an increase in prepayments on higher rate mortgages. In 2022, MaineHousing experienced a substantial reduction of prepayments in its single-family loan portfolio due to increases in market interest rates throughout the year.

Federal and state funded grants and subsidies are subject to appropriations by those governments. In recent years, the federal government has provided significant program funds in response to the COVID-19 pandemic. MaineHousing has administered a number of relief programs for the State of Maine and worked with its partners to assist Maine citizens who were impacted by COVID-19 and the related economic crisis by offering financial assistance to help stabilize their housing situation. Assistance provided included rental, utility, and home energy payments and increased homeless prevention initiatives. MaineHousing also worked with its homeownership mortgagors by providing forbearances and suspending foreclosures.

The pandemic relief funds significantly increased MaineHousing program activities in 2022 and is expected to remain at high levels in the coming year. The ultimate duration and impact of the pandemic remains unknown at this time.

REQUESTS FOR INFORMATION

The purpose of this financial report is to provide information needed to understand MaineHousing's financial position and results of operations for the year ended December 31, 2022. Inquiries for additional information may be directed to the Director of Finance at Maine State Housing Authority, 26 Edison Drive, Augusta, Maine 04330-6046, at (207) 626-4600 or at www.mainehousing.org.

MAINE STATE HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2022
(IN THOUSANDS OF DOLLARS)

	<u>Business-type Activities</u>	<u>Governmental Activities</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash, principally time deposits (note 3)	\$82,922	\$6,226	\$89,148
Investments (notes 3, 9, and 11)	338,448	68,528	406,976
Accounts receivable - government	0	28,032	28,032
Mortgage notes receivable, net (note 4)	34,620	3	34,623
Other notes receivable, net (note 4)	29	0	29
Other assets (notes 5 and 12)	9,898	542	10,440
Internal balances (note 13)	(41,687)	41,687	0
Total Current Assets	<u>424,230</u>	<u>145,018</u>	<u>569,248</u>
Noncurrent Assets:			
Investments (notes 3, 9, and 11)	109,035	0	109,035
Mortgage notes receivable, net (note 4)	1,485,266	51,163	1,536,429
Other notes receivable, net (note 4)	8	0	8
Capital assets	17,176	0	17,176
Other real estate owned	145	0	145
Derivative instrument - interest rate swaps (note 7)	18,560	0	18,560
Total Noncurrent Assets	<u>1,630,190</u>	<u>51,163</u>	<u>1,681,353</u>
Total Assets	<u>2,054,420</u>	<u>196,181</u>	<u>2,250,601</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension expense (note 8)	614	345	959
Deferred amount on debt refundings	2,324	0	2,324
Total Deferred Outflows of Resources	<u>2,938</u>	<u>345</u>	<u>3,283</u>
LIABILITIES:			
Current Liabilities:			
Accrued interest payable	6,133	58	6,191
Accounts payable - federal government	0	329	329
Accounts payable and accrued liabilities	14,582	9,895	24,477
Unearned income	0	43,812	43,812
Bonds and notes payable (notes 6, 9, 14, and 16)	52,696	3,020	55,716
Total Current Liabilities	<u>73,411</u>	<u>57,114</u>	<u>130,525</u>
Noncurrent Liabilities:			
Subscription Liability (note 5)	128	0	128
Pension liability (note 8)	1,139	641	1,780
Bonds and notes payable (notes 6, 9, 14, and 16)	1,635,914	51,287	1,687,201
Total Noncurrent Liabilities	<u>1,637,181</u>	<u>51,928</u>	<u>1,689,109</u>
Total Liabilities	<u>1,710,592</u>	<u>109,042</u>	<u>1,819,634</u>
DEFERRED INFLOWS OF RESOURCES:			
Accumulated increase in fair value of hedging derivatives (note 7)	18,560	0	18,560
Deferred loan origination points	19	0	19
Deferred pension credit (note 8)	511	287	798
Total Deferred Inflows of Resources	<u>19,090</u>	<u>287</u>	<u>19,377</u>
NET POSITION:			
Net investment in capital assets	2,746	0	2,746
Restricted for bond resolutions	287,774	0	287,774
Restricted for grants and programs	0	87,197	87,197
Unrestricted	37,156	0	37,156
Total Net Position	<u>\$327,676</u>	<u>\$87,197</u>	<u>\$414,873</u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022
(IN THOUSANDS OF DOLLARS)

Functions/Programs	Program Revenues			Net Revenue (Expense) and Changes in Net Position			
	Expenses	Charges for Services	Investment (Loss) Income	Grants and Contributions	Business-type Activities	Governmental Activities	Total
Business-type activities:							
Mortgage Purchase Fund	\$60,676	\$62,230	(\$7,469)	\$0	(\$5,915)	\$0	(\$5,915)
Bondholder Reserve Fund	68	0	126	0	58	0	58
General Administrative Fund	1,685	1,416	0	0	(269)	0	(269)
Total business-type activities	<u>62,429</u>	<u>63,646</u>	<u>(7,343)</u>	<u>0</u>	<u>(6,126)</u>	<u>0</u>	<u>(6,126)</u>
Governmental activities:							
HOME Fund	23,794	113	429	31,512	0	8,260	8,260
Section 8 Housing Programs	115,726	6,371	3	110,586	0	1,234	1,234
Low Income Home Energy Assistance Program	73,928	1,245	2	72,887	0	206	206
Emergency Rental Assistance Programs	205,116	516	0	204,600	0	0	0
Maine Energy, Housing and Economic Recovery Program	1,179	42	597	4,319	0	3,779	3,779
Other Federal and State Programs	61,782	2,712	113	59,837	0	880	880
Total governmental activities	<u>481,525</u>	<u>10,999</u>	<u>1,144</u>	<u>483,741</u>	<u>0</u>	<u>14,359</u>	<u>14,359</u>
Total Agency-wide	<u>\$543,954</u>	<u>\$74,645</u>	<u>(\$6,199)</u>	<u>\$483,741</u>	<u>(6,126)</u>	<u>14,359</u>	<u>8,233</u>
General Revenues:							
Unrestricted investment income					281	0	281
Transfers					1,779	(1,779)	0
Total general revenues and transfers					<u>2,060</u>	<u>(1,779)</u>	<u>281</u>
Change in Net Position					(4,066)	12,580	8,514
Net Position at beginning of year					<u>331,742</u>	<u>74,617</u>	<u>406,359</u>
Net Position at end of year					<u>\$327,676</u>	<u>\$87,197</u>	<u>\$414,873</u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022
(IN THOUSANDS OF DOLLARS)

	Mortgage Purchase Fund	Bondholder Reserve Fund	General Administrative Fund	Total
ASSETS:				
Current Assets:				
Cash, principally time deposits (note 3)	\$ 15,708	\$ 1	\$ 67,213	\$ 82,922
Investments (notes 3, 9, and 11)	311,911	8,038	18,499	338,448
Mortgage notes receivable, net (note 4)	34,465	0	155	34,620
Other notes receivable, net (note 4)	0	0	29	29
Other assets (notes 5 and 12)	9,570	16	312	9,898
Interfund (note 13)	0	0	9,857	9,857
Total Current Assets	<u>371,654</u>	<u>8,055</u>	<u>96,065</u>	<u>475,774</u>
Noncurrent Assets:				
Investments (notes 3, 9, and 11)	109,035	0	0	109,035
Mortgage notes receivable, net (note 4)	1,481,113	0	4,153	1,485,266
Other notes receivable, net (note 4)	0	0	8	8
Capital assets	22	0	17,154	17,176
Other real estate owned	145	0	0	145
Derivative instrument - interest rate swaps (note 7)	18,560	0	0	18,560
Total Noncurrent Assets	<u>1,608,875</u>	<u>0</u>	<u>21,315</u>	<u>1,630,190</u>
Total Assets	<u>1,980,529</u>	<u>8,055</u>	<u>117,380</u>	<u>2,105,964</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred pension expense (note 8)	509	3	102	614
Deferred amount on debt refundings	2,324	0	0	2,324
Total Deferred Outflows of Resources	<u>2,833</u>	<u>3</u>	<u>102</u>	<u>2,938</u>
LIABILITIES:				
Current Liabilities:				
Accrued interest payable	6,133	0	0	6,133
Accounts payable and accrued liabilities	274	7	14,301	14,582
Interfund (note 13)	2,895	10	48,639	51,544
Bonds and notes payable (notes 6, 9, 14, and 16)	52,060	0	636	52,696
Total Current Liabilities	<u>61,362</u>	<u>17</u>	<u>63,576</u>	<u>124,955</u>
Noncurrent Liabilities:				
Subscription Liability (note 5)	0	0	128	128
Pension liability (note 8)	945	5	189	1,139
Bonds and notes payable (notes 6, 9, 14, and 16)	1,622,289	0	13,625	1,635,914
Total Noncurrent Liabilities	<u>1,623,234</u>	<u>5</u>	<u>13,942</u>	<u>1,637,181</u>
Total Liabilities	<u>1,684,596</u>	<u>22</u>	<u>77,518</u>	<u>1,762,136</u>
DEFERRED INFLOWS OF RESOURCES:				
Accumulated increase in fair value of hedging derivatives (note 7)	18,560	0	0	18,560
Deferred loan origination points	19	0	0	19
Deferred pension credit (note 8)	424	3	84	511
Total Deferred Inflows of Resources	<u>19,003</u>	<u>3</u>	<u>84</u>	<u>19,090</u>
NET POSITION:				
Net investment in capital assets	22	0	2,724	2,746
Restricted for bond resolutions	279,741	8,033	0	287,774
Unrestricted	0	0	37,156	37,156
Total Net Position	<u>\$279,763</u>	<u>\$8,033</u>	<u>\$39,880</u>	<u>\$327,676</u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
(IN THOUSANDS OF DOLLARS)

	Mortgage Purchase Fund	Bondholder Reserve Fund	General Administrative Fund	Total
OPERATING REVENUES:				
Interest from mortgages and notes	\$59,798	\$0	\$275	\$60,073
Income from investments	7,691	126	281	8,098
Net decrease in the fair value of investments	(15,160)	0	0	(15,160)
Fee income	1,875	0	1,035	2,910
Other revenue	0	0	106	106
Gain on bond redemption (note 14)	557	0	0	557
Total Revenues	54,761	126	1,697	56,584
OPERATING EXPENSES:				
Operating expenses	11,654	68	2,167	13,889
Other program administrative expenses	6,437	0	5	6,442
Mortgage servicing fees	1,771	0	13	1,784
Provision for losses on loans (note 4)	0	0	(500)	(500)
Losses on foreclosed real estate	40	0	0	40
Interest expense	40,774	0	0	40,774
Total Expenses	60,676	68	1,685	62,429
Operating (Loss) Income	(5,915)	58	12	(5,845)
Transfers between funds, net (note 13)	0	0	1,779	1,779
Change in Net Position	(5,915)	58	1,791	(4,066)
Net Position at beginning of year	285,678	7,975	38,089	331,742
Net Position at end of year	<u>\$279,763</u>	<u>\$8,033</u>	<u>\$39,880</u>	<u>\$327,676</u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
(IN THOUSANDS OF DOLLARS)

	Mortgage Purchase Fund	Bondholder Reserve Fund	General Administrative Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Interest receipts from borrowers	\$59,384	\$0	\$285	\$59,669
Principal receipts on mortgages and notes - scheduled	40,573	0	182	40,755
Principal receipts on mortgages and notes - prepayments	87,491	0	727	88,218
Payments for operating expenses	(10,160)	(11)	(591)	(10,762)
Payments for personnel expenses	(9,702)	(57)	(1,576)	(11,335)
Investment in mortgages and other notes	(278,036)	0	0	(278,036)
Other	3,615	5	11,903	15,523
Net cash (used for) provided by operating activities	<u>(106,835)</u>	<u>(63)</u>	<u>10,930</u>	<u>(95,968)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	0	0	(274)	(274)
Principal paid on capital debt	0	0	(615)	(615)
Interest paid on capital debt	0	0	(474)	(474)
Payment of subscription liability	0	0	(79)	(79)
Net cash used for capital and related financing activities	<u>0</u>	<u>0</u>	<u>(1,442)</u>	<u>(1,442)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Proceeds from sale of bonds	392,676	0	0	392,676
Principal payments on bonds	(216,555)	0	0	(216,555)
Interest payments on bonds	(39,019)	0	0	(39,019)
Payments (to) from other funds	(808)	(7)	31,398	30,583
Net cash provided by (used for) non-capital financing activities	<u>136,294</u>	<u>(7)</u>	<u>31,398</u>	<u>167,685</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from disposition of foreclosed real estate	1,047	0	41	1,088
Purchase of investments	(1,095,226)	(40)	(10,118)	(1,105,384)
Sales and maturity of investments	1,052,700	0	0	1,052,700
Interest received on investments	4,482	110	270	4,862
Net cash (used for) provided by investing activities	<u>(36,997)</u>	<u>70</u>	<u>(9,807)</u>	<u>(46,734)</u>
Net (decrease) increase in cash	(7,538)	0	31,079	23,541
Cash at beginning of year	23,246	1	36,134	59,381
Cash at end of year	<u>\$15,708</u>	<u>\$1</u>	<u>\$67,213</u>	<u>\$82,922</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating (loss) income	(\$5,915)	\$58	\$12	(\$5,845)
Adjustments to reconcile operating (loss) income to net cash provided by (used for) operating activities:				
Depreciation and amortization	382	0	978	1,360
Interest on bonds and notes	40,392	0	474	40,866
Provision for losses on loans	0	0	(500)	(500)
Losses on foreclosed real estate	40	0	0	40
Gain on bond redemption	(557)	0	0	(557)
Pension expense	180	1	36	217
Interest income on investments	(7,691)	(126)	(281)	(8,098)
Net decrease in fair value of investments	15,160	0	0	15,160
Changes in operating assets and liabilities:				
Other assets	1,680	0	(218)	1,462
Pension contributions	(437)	0	(90)	(527)
Mortgage note interest receivable	(414)	0	10	(404)
Accounts payable and accrued liabilities	317	4	9,600	9,921
Investment in mortgage and other notes	(278,036)	0	0	(278,036)
Mortgage & other note principal repayments	128,064	0	909	128,973
Net cash (used for) provided by operating activities	<u>(\$106,835)</u>	<u>(\$63)</u>	<u>\$10,930</u>	<u>(\$95,968)</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH INFORMATION:				
Transfer from mortgage notes receivable to other assets and other real estate owned	\$1,607	\$0	\$0	\$1,607

See accompanying notes to the financial statements

**MAINE STATE HOUSING AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022
(IN THOUSANDS OF DOLLARS)**

	HOME Fund	Section 8 Housing Programs	Low Income Home Energy Assistance Program	Emergency Rental Assistance Programs	Maine Energy, Housing & Economic Recovery Fund	Other Federal and State Programs	Total
ASSETS:							
Current Assets:							
Cash, principally time deposits (note 3)	\$1	\$3,811	\$1,530	\$0	\$0	\$884	\$6,226
Investments (notes 3, 9, and 11)	26,954	0	0	0	35,312	6,262	68,528
Accounts receivable - government	2,394	274	3,848	6,358	0	15,158	28,032
Mortgage notes receivable, net (note 4)	3	0	0	0	0	0	3
Other assets	135	144	0	0	105	158	542
Interfund (note 13)	24,586	61	0	0	0	32,973	57,620
Total Current Assets	<u>54,073</u>	<u>4,290</u>	<u>5,378</u>	<u>6,358</u>	<u>35,417</u>	<u>55,435</u>	<u>160,951</u>
Noncurrent Assets:							
Mortgage notes receivable, net (note 4)	33,092	0	0	0	17,354	717	51,163
Total Noncurrent Assets	<u>33,092</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,354</u>	<u>717</u>	<u>51,163</u>
Total Assets	<u>\$87,165</u>	<u>\$4,290</u>	<u>\$5,378</u>	<u>\$6,358</u>	<u>\$52,771</u>	<u>\$56,152</u>	<u>\$212,114</u>
LIABILITIES:							
Current Liabilities:							
Accrued interest payable	\$0	\$0	\$0	\$0	\$58	\$0	\$58
Accounts payable - federal government	0	329	0	0	0	0	329
Accounts payable and accrued liabilities	2,627	107	2,511	1,055	0	3,595	9,895
Unearned income	0	0	1,470	0	0	42,342	43,812
Interfund (note 13)	61	358	1,288	5,303	3	7,779	14,792
Bonds payable (note 6, 9, and 14)	0	0	0	0	3,020	0	3,020
Total Current Liabilities	<u>2,688</u>	<u>794</u>	<u>5,269</u>	<u>6,358</u>	<u>3,081</u>	<u>53,716</u>	<u>71,906</u>
Noncurrent Liabilities:							
Bonds payable (note 6, 9, and 14)	0	0	0	0	51,287	0	51,287
Total Non Current Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>51,287</u>	<u>0</u>	<u>51,287</u>
Total Liabilities	<u>2,688</u>	<u>794</u>	<u>5,269</u>	<u>6,358</u>	<u>54,368</u>	<u>53,716</u>	<u>123,193</u>
FUND BALANCES:							
Restricted by program requirements	84,477	3,496	109	0	0	2,436	90,518
Nonspendable	0	0	0	0	17,354	0	17,354
Unassigned	0	0	0	0	(18,951)	0	(18,951)
Total Fund Balances	<u>84,477</u>	<u>3,496</u>	<u>109</u>	<u>0</u>	<u>(1,597)</u>	<u>2,436</u>	<u>88,921</u>
Total Liabilities and Fund Balances	<u>\$87,165</u>	<u>\$4,290</u>	<u>\$5,378</u>	<u>\$6,358</u>	<u>\$52,771</u>	<u>\$56,152</u>	<u>\$212,114</u>

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

Total fund balances in governmental funds	\$88,921
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Pension expense deferrals reported as deferred outflows of resources in governmental activities are not financial resources and therefore are not reported in the governmental funds.	345
Pension liabilities reported in governmental activities are not due and payable in the current period and therefore are not reported in the governmental funds.	(641)
Pension credit deferrals reported as deferred inflows of resources in governmental activities are not available to pay for current period expenditures and therefore are not reported in the governmental funds.	(287)
Interfund balances related to the allocation of pension liabilities and deferrals of resources reported in governmental activities are not due and payable in the current period and therefore not reported in the governmental funds.	(1,141)
Net Position of governmental activities	<u>\$87,197</u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
(IN THOUSANDS OF DOLLARS)

	HOME Fund	Section 8 Housing Programs	Low Income Home Energy Assistance Program	Emergency Rental Assistance Programs	Maine Energy, Housing & Economic Recovery Fund	Other Federal and State Programs	Total
REVENUES:							
Interest from mortgages and notes	\$76	\$0	\$0	\$0	\$42	\$0	\$118
Income from investments	429	3	2	0	597	113	1,144
Fee income	0	6,371	1,245	516	0	2,711	10,843
Other revenue	37	0	0	0	0	1	38
Grant income	2,616	0	72,887	204,600	0	59,837	339,940
Income from State	28,896	0	0	0	4,319	0	33,215
Federal rent subsidy income	0	110,586	0	0	0	0	110,586
Total Revenues	<u>32,054</u>	<u>116,960</u>	<u>74,134</u>	<u>205,116</u>	<u>4,958</u>	<u>62,662</u>	<u>495,884</u>
EXPENDITURES:							
Operating expenditures	0	4,008	955	486	0	2,401	7,850
Other program administrative expenditures	0	144	70	30	28	280	552
Grant expenditures	23,794	100	72,887	204,600	123	59,061	360,565
Federal rent subsidy	0	111,408	0	0	0	0	111,408
Interest	0	0	0	0	1,028	0	1,028
Total Expenditures	<u>23,794</u>	<u>115,660</u>	<u>73,912</u>	<u>205,116</u>	<u>1,179</u>	<u>61,742</u>	<u>481,403</u>
Revenues in Excess of Expenditures	8,260	1,300	222	0	3,779	920	14,481
Transfers between funds, net (note 13)	100	(1,628)	(221)	0	0	(30)	(1,779)
Change in Fund Balances	8,360	(328)	1	0	3,779	890	12,702
Fund Balances at beginning of year	76,117	3,824	108	0	(5,376)	1,546	76,219
Fund Balances at end of year	<u>\$84,477</u>	<u>\$3,496</u>	<u>\$109</u>	<u>\$0</u>	<u>(\$1,597)</u>	<u>\$2,436</u>	<u>\$88,921</u>

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Change in Fund Balances - total governmental funds	\$12,702
Amounts reported for governmental activities in the Statement of Activities are different because:	
Expenses reported in the Statement of Activities include a pension expense, which does not effect the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.	<u>(122)</u>
Change in Net Position of governmental activities	<u>\$12,580</u>

See accompanying notes to the financial statements

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

(1.) ORGANIZATION AND NATURE OF OPERATIONS

The Maine State Housing Authority (MaineHousing) is a public corporation and an instrumentality of the State of Maine established under the provisions of the *Maine Housing Authorities Act*, Title 30-A, Chapter 201, of the Maine Revised Statutes, as amended. MaineHousing is authorized to issue bonds for the purchase or origination of notes and mortgages on single-family and multi-family residential properties for the purpose of providing housing for persons and families of low income in the State of Maine. MaineHousing also administers various housing and energy related state and federal programs and collects and disburses federal rent subsidies for low-income housing.

For financial reporting purposes, MaineHousing is considered a component unit of the State of Maine and the financial condition and results of operations of MaineHousing are included in the State's financial statements.

(2.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

MaineHousing's financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) statements and are comprised of three components: 1) agency-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The financial statements include all of the organization's activities and functions for which MaineHousing is financially accountable. Determination of financial accountability includes among other factors, appointment of a voting majority of the component's governing body and (1) ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, MaineHousing. Based on the preceding criteria, the accompanying financial statements do not include the financial activities of any entity other than MaineHousing.

The agency-wide financial statements are comprised of a Statement of Net Position and Statement of Activities, which are prepared using the economic resources measurement focus and the accrual basis of accounting. These statements reflect all of the assets, liabilities, revenues, expenses, deferred inflows, deferred outflows, gains and losses of business-type and governmental activities. Interfund balances entirely within the proprietary funds and governmental funds are eliminated from the Statement of Net Position; remaining amounts are shown as Internal Balances.

The business-type activities, which include single-family and multi-family loan programs, are classified as proprietary funds. Proprietary funds are reported using the accrual basis of accounting and revenues are recorded when earned and expenses when incurred. The governmental activities reflect the administration of the various programs for the State of Maine and the federal government. Governmental funds are reported using the modified accrual basis and revenues are recorded when they become available and measurable and expenses when incurred. Revenues from grants and programs are generally considered "available" if eligibility and time restrictions have been satisfied and if received within three months of the balance sheet date. Grants received in advance of the period in which they can be used are reported as deferred inflows of resources.

Separate fund financial statements are provided for proprietary and governmental funds. The fund financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental entities, which provides that accounting systems be organized by funds to account for specific activities consistent with legal and operating requirements. Major individual governmental funds and all proprietary funds and fund groups are reported as separate columns in the fund financial statements. Certain insignificant indirect costs are allocated to the funds.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Fund Structure

PROPRIETARY FUNDS

Financial activities operated similarly to private business enterprises and financed through fees and charges assessed primarily to users of loans and other lender services are presented as proprietary funds. MaineHousing's proprietary funds are as follows, all of which are considered major funds:

Mortgage Purchase Fund

This fund consists of accounts established by the General Mortgage Purchase Bond Resolution. Pursuant to the Mortgage Purchase Program, MaineHousing is authorized to purchase or originate first lien mortgages on single-family and multi-family residential properties. Proceeds from the sale of mortgage revenue bonds, the debt service requirements of the bond indebtedness, and mortgage loans made from bond proceeds are recorded in this fund.

Bondholder Reserve Fund

This fund consists of accounts established by the General Authority Bondholder Reserve Fund Resolution and is pledged to replenish any deficiency in the debt service reserve fund of the General Mortgage Purchase Bond Resolution.

General Administrative Fund

This fund consists of account balances that are not directly pledged to or restricted by a particular bond resolution or program and generates fee and interest income. Revenues not specifically pledged for the repayment of bonds or notes are recorded in this fund.

GOVERNMENTAL FUNDS

Activities financed by grant and program agreements with the federal government and appropriations and allocations from the State of Maine Legislature are presented as governmental funds. None of the governmental funds are legally required to adopt a formal budget. MaineHousing's governmental funds are as follows, all of which are considered major funds:

Home Fund

The Maine State Legislature authorized the creation of the Housing Opportunities for Maine (HOME) Program to promote and create affordable housing. The program is funded by a portion of the Real Estate Transfer Tax levied by the State of Maine and by appropriations. These funds may be used in conjunction with MaineHousing's other housing resources. Activities associated with the Shelter Operating Subsidy Program, which is funded by the State of Maine and provides funding for emergency shelters that serve Maine's homeless citizens, are also recorded in this fund.

Section 8 Housing Programs

This fund group consists of activity related to MaineHousing's administration of various Department of Housing and Urban Development (HUD) Section 8 programs. These are federal programs that provide rental subsidies to landlords to preserve low-income rental units and also provide funding to tenants to assist with rent payments. The program funding levels are established by the federal government annually. MaineHousing receives annual fees from HUD for the administration of these programs. These programs consist of the following:

- Moderate Rehabilitation
- Section 811 Project Rental Assistance
- Housing Choice Voucher
- Performance Based Contract Administration
- Family Self-Sufficiency
- Mainstream Vouchers
- Section 8 Emergency Housing Voucher – *American Rescue Plan Act*

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Low Income Home Energy Assistance Program

MaineHousing is the designated administrator of the Low Income Home Energy Assistance Program for the State of Maine. This program is federally funded through the Department of Health and Human Services. Under this program, funds are provided to low income homeowners and renters to assist with the payment of heating costs. The funding level is established annually by the federal government and MaineHousing receives annual fees for the administration of the program. A supplemental award in the amount of \$55,172 was provided to the State of Maine as part of the *American Rescue Plan Act of 2021*.

Emergency Rental Assistance Programs

MaineHousing is the administrator of the federal Emergency Rental Assistance Programs for the State of Maine. Funds for the Emergency Rental Assistance Programs 1 and 2 (ERA1 and ERA2) were appropriated through the *Consolidated Appropriations Act of 2021* and the *American Rescue Plan Act of 2021*. The State of Maine was awarded \$352 million for these programs. Funding for the ERA1 expired on September 30, 2022 and ERA2 will expire on September 30, 2025. Funds are provided through the U.S. Department of the Treasury and are used for emergency rental assistance, rental arrears, and utility costs for households at risk of homelessness or housing instability due to the COVID-19 pandemic. A portion of these funds may also be used for MaineHousing's administrative costs.

Maine Energy, Housing and Economic Recovery Fund

The purpose of the Maine Energy, Housing and Economic Recovery Fund (MEHER) is to create capital funding sources to provide affordable housing and to improve energy efficiency of residential housing in the State of Maine. The fund consists of accounts established by the MEHER General Indenture. The revenue anticipation bonds issued under the MEHER General Indenture are liabilities of the fund and the debt service for these bonds is paid by a source of revenue from the State of Maine.

The deficit in this fund is due to timing differences between the expending of funds from bond proceeds on program activities and the receipt of revenues from the State of Maine, which is based on debt service schedules. The deficit will be eliminated over time as bond proceeds available for programs are depleted and annual revenues received from the State of Maine exceed expenditures.

Other Federal and State Programs

MaineHousing administers various other federal and state housing and energy related programs and grants. This fund group records the activity and reflects the consolidation of these programs and grants. Program administration is governed by the appropriate federal regulations or state laws. The annual program and grant funding levels are set by the appropriate federal or state government. MaineHousing receives annual fees for the program administration for most of the federal programs and grants. Federal and state programs consist of the following:

U.S. Department of Housing and Urban Development

Emergency Solutions Grants

Emergency Solutions Grants – *Coronavirus Aid, Relief, and Economic Security Act*

HOME Investment Partnerships Program

HOME Investment Partnerships Program – *American Rescue Plan Act*

National Housing Trust Fund

Lead-Based Paint Hazard Control Program

Homeless Management Information System

Housing Counseling Assistance Program

Continuum of Care - Planning Grant

Continuum of Care - Rental Assistance Program

Continuum of Care - Coordinated Entry Grant

Community Development Block Grant - *Coronavirus Aid, Relief, and Economic Security Act* (via State of Maine)

Older Adult Home Modification Program

Recovery Housing Program

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

U.S. Department of Energy

Weatherization Assistance Program
Weatherization Assistance Program - Training Centers and Programs

U.S. Department of Health and Human Services

Low Income Household Water Assistance Program – *Consolidated Appropriations Act and American Rescue Plan Act*
Weatherization / Central Heating Improvement Program
Temporary Assistance for Needy Families (via State of Maine)
Maine Association of Recovery Residences (via State of Maine)

U.S. Department of Treasury

Grants for Homeless Shelters – *American Rescue Plan Act* (via State of Maine)
Housing Navigators Pilot Program – *American Rescue Plan Act* (Via State of Maine)

U.S. Department of Homeland Security

Federal Emergency Management Agency Disaster Assistance Grants – COVID-19

State of Maine

Home Modification Program
Well Water Treatment Program
Natural Disaster Housing Assistance Fund
Consumer Residential Opportunities Program
Indian Housing Mortgage Insurance Program
Lead Abatement Program
State General Obligation Bonds
Emergency Housing Relief Fund
Maine Association of Recovery Residences

Private

Low Income Assistance Plan

Net Position

In the agency-wide and proprietary fund financial statements, net position is displayed in three components as follows:

Net investment in capital assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings for the acquisition, construction, or improvement of those assets.

Restricted – This consists of activities that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. For business-type activities, the net position is restricted by bond resolutions for the acquisition of loans, payment of debt service and payment of operating costs. For governmental activities, the net position is restricted by state statutes or federal regulations and program agreements for specific program purposes.

Unrestricted – This consists of activities that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Balances

In the governmental funds financial statements, fund balances are reported as either restricted for housing and energy related programs, nonspendable in current form due to the long term nature of certain assets, or unassigned for any residual deficit fund balances. Generally, if unrestricted fund balances are available they are used after assigned or restricted amounts.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand and held by banks in demand deposits and savings accounts.

Investments

Money market funds, repurchase agreements and certificates of deposit that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Investments not reported at amortized cost are reported at fair value. Unrealized gains and losses due to fluctuations in market values and gains and losses realized upon sale are reported as net increases or decreases in the fair value of investments. Interest received that is required by federal programs to be spent on program activities is deferred and recorded as a payable to the federal government.

Mortgage Notes Receivable

Mortgage notes receivable are carried at their uncollected principal balance less allowances for loan losses. The recording of interest income on problem loans ceases when collectability within a reasonable period of time becomes doubtful. Program income received for revolving loan programs are recorded as unearned income. MaineHousing reclassifies its liability for amounts due under revolving loan programs relating to forgivable loans and loans with no payments due until sale of the collateral or maturity of the loan (usually 30 years from origination) to reduce the associated loan balances. MaineHousing believes this presentation better reflects the underlying economics of the loan.

Allowances For Losses On Loans

MaineHousing has established allowances for losses on mortgages and other notes receivable. The allowances are established through provisions for losses on loans charged to expenses. Losses are charged against the allowances when MaineHousing believes that collection of the loan principal is unlikely.

The allowances are amounts that MaineHousing believes will be adequate to absorb losses based on evaluations of collectability and prior loss experience. The evaluation takes into consideration such factors as the nature and volume of the portfolio, extent of available mortgage insurance, collateral, delinquencies and current economic conditions that may affect the borrowers' ability to pay.

Capital Assets

Capital assets consisting of building, land, and equipment are stated at cost less accumulated depreciation and are reported in the agency-wide and proprietary funds financial statements. MaineHousing capitalizes assets with an initial cost of one thousand dollars or more. Depreciation is computed using the straight line method over the estimated useful lives of the assets, which range from three to forty years. Land and assets that are being developed are not depreciated. Intangible assets from subscription-based information technology arrangements are recorded as capital assets and amortized using the straight line method over the subscription term.

Other Real Estate Owned

Other real estate owned consists of single-family and multi-family residential properties acquired through foreclosure, or acceptance of a deed in lieu of foreclosure and are carried at the lower of cost or fair value less estimated costs to sell. Losses arising from the acquisition of other real estate owned are charged to the allowance for loan losses. Operating expenses, subsequent provisions to reduce the carrying value, and any gain or loss on disposition of the property are reflected in the Statement of Revenues, Expenses and Changes in Net Position in the year incurred or realized.

Bond Discount, Premium, Issuance Costs and Deferred Amounts on Refunding

Bond discounts and premiums are reflected as a component of bonds payable and are deferred and amortized over the lives of the bonds using a method that approximates the effective interest method. Gains and losses on debt refundings are amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter and reflected as a deferred outflow of resources. Bond issuance costs are expensed in the year issued.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Loan Origination Fees and Costs

MaineHousing pays origination costs at the time it purchases single-family mortgage loans. These and other program costs, including closing cost assistance to borrowers, paid in connection with acquiring certain single-family loans, are expensed in the year of origination.

MaineHousing may receive points in connection with the origination of certain mortgage loans, which are essentially yield adjustments on the loans. Points received for single-family loans are reflected as a deferred inflow of resources and amortized as a component of interest income using the effective interest method over the life of the mortgages. When a loan is paid off prior to maturity, all unamortized deferred points are recognized immediately as interest income. MaineHousing may charge a fee at the time that a commitment is made to originate a mortgage on a multi-family loan. These fees are recognized as income in the year the commitment is made.

Revenues, Expenses and Expenditures

Program revenues in the agency-wide Statement of Activities are reported in three categories including (1) charges for services, (2) investment income and (3) grants and contributions. Charges for services include all revenues from mortgage loans and program administration fees. Investment income consists of earnings from non-mortgage investment assets. Grants and contributions include revenues from other governments and organizations that are restricted for use in a particular program. All revenues are recorded as income when earned and the associated expenses are recorded as incurred.

The proprietary funds' primary sources of operating revenues are income from mortgage loans and other permitted investments. Operating expenses in the proprietary funds consist of expenses incurred for originating and servicing loans, bond interest and program administration.

Revenues in the governmental funds are derived from grant and program agreements with the federal government, appropriations from the Maine State Legislature, and other organizations. MaineHousing also receives fee income for program administration. Expenditures in the governmental funds are all current operating expenditures and consist primarily of program disbursements and administration charges.

Derivatives and Hedging Instruments

MaineHousing enters into interest rate swap agreements in order to manage risks associated with interest on its variable rate bond portfolio. MaineHousing recognizes the fair value of swap agreements as either an asset or liability on its Statement of Net Position with the offsetting gains or losses as either deferred inflows or outflows of resources, if deemed an effective hedge. If swap agreements are not effective hedges, interest expense is increased or decreased by the change in the fair value. MaineHousing measures the effectiveness of its interest rate swap agreements in total whereby all the swaps are used to hedge interest expense on a portion of the total variable rate bonds equal to the notional amount of the swaps. Hedge effectiveness is determined by using the regression analysis and synthetic instrument methods. MaineHousing's swap agreements constitute an effective hedge for the hedged portion of the variable rate bond portfolio at December 31, 2022.

Fair Value Methodology

Generally accepted accounting principles establishes standards for determining fair value measurements for accounting and financial reporting purposes and provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements and also establishes a three-tier hierarchy that prioritizes the inputs used to measure fair value as follows:

- **Level 1 inputs** are observable, quoted prices in active markets for identical assets or liabilities;
- **Level 2 inputs** are directly or indirectly observable, but not on Level 1; and
- **Level 3 inputs** are all inputs that are unobservable.

MaineHousing's assets and liabilities carried at fair value are investments and interest rate swaps.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Defined Benefit Pension Plan

MaineHousing is a participating local district (PLD) member of the Maine Public Employees Retirement System (MainePERS) PLD Consolidated Retirement Plan and employees may participate in a defined benefit plan offered by MainePERS. 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 MainePERS' PLD Consolidated Plan have been determined on the same basis as they are reported by MainePERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments at MainePERS are reported at fair value.

Use of 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 at the date of the statements and the reported amounts of revenues, expenses and expenditures during the reporting year. Material estimates that are particularly susceptible to significant change in the near-term relate to the determination of the allowance for losses on loans, the fair value of interest rate swaps and the net pension liability for MaineHousing's participation in the MainePERS PLD Consolidated Retirement Plan. Actual results could differ from estimates.

New Accounting Standards

The following GASB Statements that have been issued are under evaluation by MaineHousing:

- GASB Statement No. 93, *Replacement of Interbank Offered Rates*; and GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* are effective for the year ending December 31, 2023 as amended by GASB Statement No. 99, *Omnibus 2022*.
- GASB Statement No. 100, *Compensated Absences* and GASB Statement No. 101, *Accounting Changes and Error Corrections* are effective for the year ending December 31, 2024.

MaineHousing has not adopted these standards and is evaluating the impact they may have on its financial statements.

Implementation of New Accounting Standards

In 2022, MaineHousing implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. This statement defines SBITAs and provides guidance on the accounting and financial reporting for such arrangements. An SBITA is defined as a contract that conveys control of the right to use another party's information technology software for a period of time. The requirements of the standard are effective for fiscal year 2023 and MaineHousing has adopted the standard early. The adoption of this standard changed how SBITAs are reported in financial statements and require the recognition of a right-to-use asset and a corresponding subscription liability. See Note 5.

(3.) CASH AND INVESTMENTS

At December 31, 2022, the carrying amount of MaineHousing's bank deposits was \$89,148 and the bank balance was \$89,739. The difference between the carrying amount and the bank balance is a result of transactions in transit. Of the bank balance, \$479 was covered by federal depository insurance and \$89,260 was collateralized by pledged government securities that are held in the bank's name at the Federal Reserve Bank.

The General Mortgage Purchase Bond Resolution permits MaineHousing to invest in direct obligations of, or obligations guaranteed by, the United States of America, certain government-sponsored enterprises and the State of Maine "permitted investments." The resolution also permits MaineHousing to invest in certificates of deposit, repurchase agreements and other similar banking arrangements that are collateralized by permitted investments.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

MaineHousing has a formal Investment Policy that outlines its investment practices and policies. The primary purpose of the policy is to ensure safety of principal while managing liquidity to pay MaineHousing's financial obligations. MaineHousing's deposit policy is to have its deposits covered by insurance, collateralized or deposited in well capitalized institutions.

MaineHousing's investment balances and stated maturities as of December 31, 2022 are presented in the following table. Actual maturities may differ due to investments being called by the issuer.

Investment Type	Investment Maturities in Years					Moody's Credit Rating
	Carrying Amount	Less than 1	1-5	6-10	More than 10	
PROPRIETARY FUNDS						
MORTGAGE PURCHASE FUND						
Repurchase Agreements	\$108,782	\$108,782	\$0	\$0	\$0	NR
Money Market Funds	1,914	1,914	0	0	0	NR
Federal Farm Credit Bank (FFCB)	55,507	0	0	32,229	23,278	P-1/Aaa
Federal National Mortgage Association (FNMA)	114,711	114,711	0	0	0	P-1/Aaa
Federal Home Loan Bank (FHLB)	55,178	1,650	2,000	25,181	26,347	P-1/Aaa
U.S. Treasury Securities	84,854	84,854	0	0	0	P-1/Aaa
Total - Mortgage Purchase Fund	420,946	311,911	2,000	57,410	49,625	
BONDHOLDER RESERVE FUND						
Repurchase Agreements	8,038	8,038	0	0	0	NR
GENERAL ADMINISTRATIVE FUND						
Repurchase Agreements	5,911	5,911	0	0	0	NR
Money Market Funds	10,154	10,154	0	0	0	NR
Certificates of Deposit	2,434	2,434	0	0	0	NR
Total - General Administrative Fund	18,499	18,499	0	0	0	
Total - Proprietary Funds	\$447,483	\$338,448	\$2,000	\$57,410	\$49,625	
GOVERNMENTAL FUNDS						
HOME FUND						
Repurchase Agreements	\$26,954	\$26,954	\$0	\$0	\$0	NR
MAINE ENERGY, HOUSING & ECONOMIC RECOVERY FUND						
Repurchase Agreements	35,312	35,312	0	0	0	NR
OTHER FEDERAL AND STATE PROGRAMS						
Repurchase Agreements	6,262	6,262	0	0	0	NR
Total - Governmental Funds	\$68,528	\$68,528	\$0	\$0	\$0	

MaineHousing generally invests in repurchase agreements and money market funds for short-term investments, which are not credit rated and are continuously and fully secured by permitted investments. It is MaineHousing's policy to require that collateral be held by MaineHousing's trustee in MaineHousing's name, wherever practicable.

A market approach is used to determine fair value using Level 2 inputs for investments carried at fair value. Prices and other relevant information are generated by market transactions involving identical or comparable investments.

At December 31, 2022, \$404,542 was invested in short-term repurchase agreements, money market funds, U.S. Treasury Securities, and other government sponsored enterprises with maturity dates of less than one year and interest rates up to 4.16%. Investments other than repurchase agreements, money market funds, and U.S. Treasury Securities are registered in MaineHousing's name. Investments issued by Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA), and Federal Home Loan Bank (FHLB) make up 13%, 27%, and 13% of total investments, respectively, in the Mortgage Purchase Fund.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

At December 31, 2022, \$2,434 is invested in a non-negotiable certificate of deposit to fund a debt service reserve in connection with a loan agreement. The certificate has an interest rate of 4.00% and will mature in March 2023. The certificate is not credit rated and is being held by its bank trustee in MaineHousing's name.

(4.) MORTGAGE AND OTHER NOTES RECEIVABLE

For financial statement presentation, the allowance for losses on loans has been netted against the noncurrent portion of mortgage notes receivable and other notes receivable. However, where there is no noncurrent portion for other notes receivable, the allowance is netted against the current amount. A summary of mortgage notes receivable at December 31, 2022 is as follows:

	<u>Number of Notes</u>	<u>Principal Balance</u>	<u>Percent of Portfolio</u>
PROPRIETARY FUNDS			
MORTGAGE PURCHASE FUND - SINGLE-FAMILY:			
VA guaranteed	422	\$47,997	5.0%
FHA insured	1,533	159,650	16.7%
USDA/RD guaranteed	5,041	557,538	58.2%
Privately insured	184	33,970	3.6%
Non-insured	<u>2,506</u>	<u>158,467</u>	<u>16.5%</u>
Total Mortgage Purchase Fund - single-family	<u>9,686</u>	<u>957,622</u>	<u>100.0%</u>
MORTGAGE PURCHASE FUND - MULTI-FAMILY:			
Section 8	180	175,959	31.1%
Conventional	330	355,322	62.9%
Supportive Housing	<u>161</u>	<u>33,787</u>	<u>6.0%</u>
Total Mortgage Purchase Fund - multi-family	671	565,068	<u>100.0%</u>
Less: Allowance for losses on loans		<u>(7,112)</u>	
Total Mortgage Purchase Fund	<u>10,357</u>	<u>1,515,578</u>	
GENERAL ADMINISTRATIVE FUND - SINGLE-FAMILY:			
Non-insured	53	1,362	<u>100.0%</u>
GENERAL ADMINISTRATIVE FUND - MULTI-FAMILY:			
Section 8	1	553	18.2%
Conventional	<u>3</u>	<u>2,481</u>	<u>81.8%</u>
Total General Administrative Fund - multi-family	4	3,034	<u>100.0%</u>
GENERAL ADMINISTRATIVE FUND - HOME IMPROVEMENT LOANS:			
Non-insured	<u>7</u>	<u>10</u>	<u>100.0%</u>
Less: Allowance for losses on loans		<u>(98)</u>	
Total General Administrative Fund	<u>64</u>	<u>4,308</u>	
Total Proprietary Funds	<u>10,421</u>	<u>\$1,519,886</u>	
GOVERNMENTAL FUNDS			
HOME FUND - SINGLE-FAMILY:			
Non-insured	275	\$2,962	<u>100.0%</u>
HOME FUND - MULTI-FAMILY:			
Non-insured	<u>120</u>	<u>31,038</u>	<u>100.0%</u>
Total HOME Fund	395	34,000	
Less: Allowance for losses on loans		<u>(905)</u>	
Total HOME Fund	<u>395</u>	<u>33,095</u>	
OTHER FEDERAL AND STATE PROGRAMS - MULTI-FAMILY:			
Non-insured	<u>1</u>	<u>717</u>	<u>100.0%</u>
MAINE ENERGY, HOUSING AND ECONOMIC RECOVERY FUND - MULTI-FAMILY			
Non-insured	<u>23</u>	<u>17,354</u>	<u>100.0%</u>
Total Governmental Funds	<u>419</u>	<u>\$51,166</u>	

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

A summary of other notes receivable at December 31, 2022 is as follows:

	Number of Notes	Principal Balance	Percent of Portfolio
PROPRIETARY FUNDS			
GENERAL ADMINISTRATIVE FUND			
Non-insured	3	\$37	100.0%
Total Proprietary Funds	3	\$37	

A summary of the activity in the allowance for losses on loans is as follows:

	PROPRIETARY FUNDS		GOVERNMENTAL FUNDS	
	Mortgage Purchase Fund Group	General Administrative Fund	HOME Fund	Other Federal and State Programs
Balance – December 31, 2021	\$7,182	\$624	\$947	\$1
Provision (Recovery)	0	(500)	0	0
Loans charged off	(78)	(44)	(42)	(1)
Recoveries	8	18	0	0
Balance – December 31, 2022	\$7,112	\$98	\$905	\$0

(5.) SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

MaineHousing uses subscription-based information technology arrangements (SBITA) for certain information technology cloud software. In 2022, MaineHousing entered into two SBITA arrangements. One arrangement provides software for its multi-family housing programs and one arrangement is for grant management.

The term for the multi-family SBITA is for an initial three year period at an annual fee of \$167, which increases by 3% per annum. Renewal options are available for two additional years at the same terms and conditions, and it is reasonably certain that these options will be exercised. This SBITA arrangement also has an implementation fee of \$138. Half of the implementation fee was paid in 2022 and the balance is due within twelve months of the agreement date. At December 31, 2022, the initial implementation stage has not been completed and the commencement of this SBITA has not occurred. Payments of \$236 are recorded as prepaid expense in Other Assets at December 31, 2022.

The term for the grant management SBITA is for an initial three year period at an annual fee of \$46 and implementation fees of \$34. Renewal options are available for two additional years at the same terms and conditions. It is reasonably certain that these options will be exercised and they have been included in the determination of the right-to-use asset and subscription liability.

At December 31, 2022, MaineHousing has a net right-to-use SBITA asset, an intangible asset, of \$228 and a \$169 subscription liability, the current portion of which is included in accounts payable and accrued liabilities. In 2022, \$21 of amortization expense and \$2 of interest expense on the subscription liability was recorded. The following table provides a summary of principal and interest requirements for the subscription liability through December 31, 2026:

Year	Principal	Interest	Total
2023	\$41	\$5	\$46
2024	41	4	45
2025	43	2	45
2026	44	1	45
Total	\$169	\$12	\$181

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

(6.) BONDS AND NOTES PAYABLE

MaineHousing issues bonds that pay interest that is subject to Alternative Minimum Tax (AMT), bonds that pay interest that is not subject to this tax (Non-AMT) and federally taxable bonds. Interest paid on AMT bonds is treated as a preference item in calculating the tax imposed on individuals and corporations under the Internal Revenue Service Code. MaineHousing's AMT, Non-AMT and federally taxable bonds are denoted for each series or sub-series in the following table.

The interest rates presented in the following table for variable rate bonds represent the rate at December 31, 2022. The Single-Family (S/F) and Multi-Family (M/F) Mortgage Bonds Payable outstanding at December 31, 2022 are as follows:

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
PROPRIETARY FUNDS							
MORTGAGE PURCHASE FUND							
2013 SERIES B BONDS (S/F):							
2013 Series B (Non-AMT)							
Serial Bonds	7,540	\$3,610	2.70% - 2.75%	2023-2024	1,775	-	1,835
Term Bonds	3,890	2,000	3.00%	2026-2027	985	-	1,015
Term Bonds	38,690	16,275	3.45%	2031-2032	7,995	-	8,280
Term Bonds	28,880	27,600	3.60%	2033-2036	2,230	-	9,205
Term Bonds	<u>27,000</u>	<u>0</u>	4.00%				
	<u>106,000</u>	<u>49,485</u>					
2014 SERIES C BONDS (S/F):							
2014 Series C-1 (AMT)							
Serial Bonds	14,860	3,105	3.00%	2023		3,105	
Term Bonds	2,000	0	3.63%				
Term Bonds	7,620	0	4.00%				
Term Bonds	<u>17,465</u>	<u>1,625</u>	3.50%	2034-2041	90	-	400
	<u>41,945</u>	<u>4,730</u>					
2015 SERIES A BONDS (M/F)							
2015 Series A-2 (Non-AMT)							
Term Bonds	6,555	1,125	3.25%	2028-2029	525	-	600
2015 Series A-3 (Non-AMT)							
Serial Bonds	8,050	0	1.20%				
Term Bonds	11,220	9,135	3.50%	2031-2034	2,160	-	2,410
Term Bonds	13,505	11,000	3.63%	2036-2039	2,590	-	2,905
Term Bonds	<u>16,225</u>	<u>16,225</u>	3.75%	2040-2044	2,995	-	3,500
	<u>55,555</u>	<u>37,485</u>					
2015 SERIES B BONDS (S/F)							
2015 Series B (Non-AMT)							
Serial Bonds	9,750	3,435	2.30% - 2.60%	2023-2025	1,115	-	1,175
Term Bonds	10,750	6,650	3.20%	2028-2030	2,150	-	2,285
Term Bonds	1,610	1,610	3.45%	2031-2034	380	-	425
Term Bonds	<u>9,890</u>	<u>490</u>	3.50%	2035-2040	70	-	90
	<u>32,000</u>	<u>12,185</u>					
2015 SERIES C BONDS (M/F)							
2015 Series C (Federally Taxable)							
Serial Bonds	9,480	0	2.74% - 3.04%				
Term Bonds	18,000	0	3.59%				
Term Bonds	<u>12,520</u>	<u>7,800</u>	3.95%	2038-2040	2,500	-	2,700
	<u>40,000</u>	<u>7,800</u>					

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2015 SERIES D BONDS (S/F)							
2015 Series D (Non-AMT)							
Serial Bonds	7,105	0	2.80% - 3.13%				
Term Bonds	3,340	0	3.75%				
Term Bonds	4,890	0	4.00%				
Term Bonds	7,585	0	4.25%				
Term Bonds	<u>7,080</u>	<u>725</u>	4.00%	2041-2045	115	-	185
	<u>30,000</u>	<u>725</u>					
2015 SERIES E BONDS (S/F)							
2015 Series E-1 (AMT)							
Serial Bonds	30,115	2,580	3.10%	2023		2,580	
Term Bonds	26,690	0	4.00%				
Term Bonds	26,325	3,370	3.50%	2031-2034	410	-	1,170
2015 Series E-3 (AMT)							
Term Bonds	<u>30,000</u>	<u>30,000</u>	Variable - 3.73%	2035-2038	5,455	-	8,975
	<u>113,130</u>	<u>35,950</u>					
2015 SERIES F BONDS (M/F)							
2015 Series F-2 (Non-AMT)							
Serial Bonds	2,450	2,000	2.35% - 2.85%	2023-2026		500	
2015 Series F-3 (Non-AMT)							
Serial Bonds	15,005	0	1.10%				
Term Bonds	6,340	5,155	3.40%	2028-2030	1,650	-	1,785
Term Bonds	9,565	0	3.85%				
Term Bonds	<u>11,840</u>	<u>0</u>	3.95%				
	<u>45,200</u>	<u>7,155</u>					
2015 SERIES G BONDS (S/F)							
2015 Series G (Non-AMT)							
Serial Bonds	8,185	6,905	2.35% - 3.00%	2023-2027	675	-	2,095
Term Bonds	1,730	1,730	3.35%	2028-2030	535	-	615
Term Bonds	2,125	0	3.65%				
Term Bonds	12,060	7,420	3.85%	2038-2040	2,410	-	2,535
Term Bonds	<u>5,900</u>	<u>845</u>	3.50%	2041-2045	130	-	185
	<u>30,000</u>	<u>16,900</u>					
2016 SERIES A BONDS (S/F)							
2016 Series A (Non-AMT)							
Serial Bonds	6,065	3,245	1.95% - 2.45%	2023-2026	770	-	855
Term Bonds	6,520	6,520	2.90%	2027-2030	1,545	-	1,720
Term Bonds	4,630	4,630	3.30%	2031-2035	865	-	990
Term Bonds	10,900	10,900	3.55%	2036-2040	1,960	-	2,355
Term Bonds	<u>6,885</u>	<u>1,010</u>	4.00%	2041-2045	195	-	215
	<u>35,000</u>	<u>26,305</u>					
2016 SERIES B BONDS (S/F)							
2016 Series B-1 (Non-AMT)							
Serial Bonds	19,260	11,135	1.90% - 2.55%	2023-2027	2,045	-	2,410
Term Bonds	3,885	1,205	2.70%	2028		1,205	
Term Bonds	18,855	1,805	3.50%	2040-2046	110	-	295
2016 Series B-2 (AMT)							
Term Bonds	<u>28,000</u>	<u>28,000</u>	Variable - 3.73%	2029-2037	2,720	-	3,420
	<u>70,000</u>	<u>42,145</u>					
2016 SERIES C BONDS (S/F)							
2016 Series C (Non-AMT)							
Serial Bonds	13,620	10,865	1.75% - 2.50%	2023-2028	1,080	-	3,475
Term Bonds	5,670	5,670	2.75%	2029-2031	1,185	-	2,285
Term Bonds	8,975	8,975	3.00%	2032-2036	1,305	-	2,510
Term Bonds	3,355	3,355	3.15%	2037-2041	625	-	720
Term Bonds	<u>8,380</u>	<u>1,780</u>	3.50%	2042-2046	340	-	375
	<u>40,000</u>	<u>30,645</u>					
2016 SERIES D BONDS (M/F)							
2016 Series D (Federally Taxable)							
Serial Bonds	32,000	32,000	2.24% - 2.99%	2023-2029	825	-	8,185
Term Bonds	<u>8,000</u>	<u>8,000</u>	3.29%	2030-2031		4,000	
	<u>40,000</u>	<u>40,000</u>					

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2016 SERIES E BONDS (S/F)							
2016 Series E (Non-AMT)							
Serial Bonds	6,250	3,715	2.45% - 3.15%	2023-2027	690	-	800
Term Bonds	3,050	0	3.63%				
Term Bonds	10,385	0	3.90%				
Term Bonds	<u>8,315</u>	<u>2,170</u>	4.00%	2037-2046	195	-	240
	<u>28,000</u>	<u>5,885</u>					
2017 SERIES A BONDS (S/F)							
2017 Series A (Non-AMT)							
Serial Bonds	5,920	4,180	2.30% - 3.15%	2023-2028	635	-	765
Term Bonds	3,360	0	3.65%				
Term Bonds	6,315	0	4.00%				
Term Bonds	7,625	0	4.05%				
Term Bonds	<u>6,780</u>	<u>1,965</u>	4.00%	2043-2047	325	-	595
	<u>30,000</u>	<u>6,145</u>					
2017 SERIES B BONDS (S/F)							
2017 Series B (Non-AMT)							
Serial Bonds	8,680	6,685	1.90% - 3.00%	2023-2030	710	-	1,010
Term Bonds	4,215	4,215	3.25%	2031-2032	2,090	-	2,125
Term Bonds	6,170	2,605	3.65%	2036-2037	1,280	-	1,325
Term Bonds	8,745	8,745	3.75%	2038-2044	1,115	-	1,355
Term Bonds	<u>7,190</u>	<u>2,340</u>	4.00%	2045-2047	770	-	795
	<u>35,000</u>	<u>24,590</u>					
2017 SERIES D BONDS (M/F)							
2017 Series D-1 (Non-AMT)							
Serial Bonds	13,175	7,000	1.90% - 2.95%	2023-2029		1,000	
Term Bonds	14,320	14,320	3.50%	2033-2037	2,250	-	3,980
Term Bonds	5,870	5,870	3.65%	2038-2042	1,090	-	1,265
Term Bonds	<u>7,810</u>	<u>7,810</u>	3.75%	2043-2047	1,445	-	1,680
	<u>41,175</u>	<u>35,000</u>					
2017 SERIES E BONDS (S/F)							
2017 Series E (Federally Taxable)							
Term Bonds	<u>60,000</u>	<u>60,000</u>	Variable - 4.35%	2042-2052	5,000	-	10,000
	<u>60,000</u>	<u>60,000</u>					
2017 SERIES F BONDS (S/F)							
2017 Series F (Non-AMT)							
Serial Bonds	13,180	11,430	1.75% - 3.00%	2023-2030	970	-	1,675
Term Bonds	2,055	2,055	3.15%	2031-2032	1,005	-	1,050
Term Bonds	5,920	5,920	3.50%	2033-2037	1,090	-	1,280
Term Bonds	7,000	7,000	3.65%	2038-2042	1,320	-	1,490
Term Bonds	<u>11,845</u>	<u>4,345</u>	3.50%	2043-2047	680	-	1,465
	<u>40,000</u>	<u>30,750</u>					
2017 SERIES G BONDS (S/F - M/F)							
2017 Series G-1 (Federally Taxable)							
Term Bonds	<u>55,000</u>	<u>55,000</u>	Variable - 4.30%	2045-2050	8,290	-	10,090
	<u>55,000</u>	<u>55,000</u>					
2017 SERIES H BONDS (S/F)							
2017 Series H (Non-AMT)							
Serial Bonds	18,380	18,380	2.10% - 3.05%	2023-2030	1,105	-	4,510
Term Bonds	5,420	5,420	3.25%	2031-2033	1,750	-	1,865
Term Bonds	10,625	5,495	3.55%	2036-2037	2,700	-	2,795
Term Bonds	1,485	1,485	3.70%	2038-2042	275	-	320
Term Bonds	<u>2,590</u>	<u>2,590</u>	3.75%	2043-2047	480	-	555
	<u>38,500</u>	<u>33,370</u>					
2018 SERIES A BONDS (S/F)							
2018 Series A (Non-AMT)							
Serial Bonds	13,510	9,335	2.40% - 3.25%	2023-2030	1,135	-	1,200
Term Bonds	3,680	2,465	3.50%	2032-2033	1,220	-	1,245
Term Bonds	8,630	5,240	3.75%	2036-2038	1,725	-	1,765
Term Bonds	<u>9,180</u>	<u>9,180</u>	3.90%	2039-2043	1,790	-	1,885
	<u>35,000</u>	<u>26,220</u>					
2018 SERIES B BONDS (S/F)							
2018 Series B (Non-AMT)							
Serial Bonds	10,565	7,205	2.40% - 3.10%	2023-2028	1,170	-	1,230
Term Bonds	6,005	2,445	3.50%	2032-2033	1,215	-	1,230
Term Bonds	11,270	6,850	3.75%	2036-2038	2,245	-	2,320
Term Bonds	<u>12,160</u>	<u>12,160</u>	3.85%	2039-2043	2,355	-	2,515
	<u>40,000</u>	<u>28,660</u>					

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2018 SERIES C BONDS (S/F)							
2018 Series C (Non-AMT)							
Serial Bonds	14,200	10,310	2.25% - 3.25%	2023-2030	485	-	1,955
Term Bonds	4,080	0	3.55%				
Term Bonds	7,195	1,485	3.85%	2038		1,485	
Term Bonds	9,595	0	3.95%				
Term Bonds	9,930	5,035	4.00%	2044-2048	175	-	2,290
	<u>45,000</u>	<u>16,830</u>					
2018 SERIES D BONDS (S/F - M/F)							
2018 Series D-1 (Federally Taxable)							
Term Bonds	40,000	40,000	Variable - 4.66%	2043-2053	2,965	-	4,395
2018 Series D-2 (Federally Taxable)							
Term Bonds	3,150	3,150	0.00%	2023		3,150	
	<u>43,150</u>	<u>43,150</u>					
2018 SERIES F BONDS (S/F)							
2018 Series F (Non-AMT)							
Serial Bonds	7,710	405	2.65%	2023		405	
Term Bonds	3,745	0	3.85%				
Term Bonds	6,450	0	4.13%				
Term Bonds	6,225	0	4.20%				
Term Bonds	10,300	5,490	4.25%	2044-2048	220	-	2,475
	<u>34,430</u>	<u>5,895</u>					
2019 SERIES A BONDS (S/F)							
2019 Series A (Non-AMT)							
Serial Bonds	12,670	10,915	2.20% - 3.05%	2023-2030	695	-	3,330
Term Bonds	4,305	4,305	3.45%	2031-2034	1,005	-	1,150
Term Bonds	2,605	2,130	3.80%	2036-2039	495	-	570
Term Bonds	10,880	0					
Term Bonds	9,005	5,100	4.00%	2046-2049	750	-	1,935
	<u>39,465</u>	<u>22,450</u>					
2019 SERIES B BONDS (S/F)							
2019 Series B (Non-AMT)							
Serial Bonds	18,075	14,650	1.85% - 2.80%	2023-2032	695	-	2,245
Term Bonds	1,470	1,470	2.95%	2033-2034	720	-	750
Term Bonds	10,615	10,615	3.15%	2035-2039	1,745	-	2,730
Term Bonds	9,840	9,840	3.35%	2040-2044	1,795	-	2,130
	<u>40,000</u>	<u>36,575</u>					
2019 SERIES C BONDS (S/F)							
2019 Series C (Non-AMT)							
Serial Bonds	8,415	6,385	1.50% - 2.45%	2023-2031	100	-	1,055
Term Bonds	6,350	6,350	2.75%	2032-2034	2,040	-	2,195
Term Bonds	5,250	5,250	3.00%	2035-2039	100	-	2,275
Term Bonds	10,270	10,270	3.20%	2040-2045	1,315	-	1,920
Term Bonds	8,825	5,720	4.00%	2047-2050	1,030	-	1,620
	<u>39,110</u>	<u>33,975</u>					
2019 SERIES D BONDS (M/F)							
2019 Series D (Federally Taxable)							
Term Bonds	4,220	4,220	0.00%	2024		4,220	
	<u>4,220</u>	<u>4,220</u>					
2019 SERIES E BONDS (S/F)							
2019 Series E (Non-AMT)							
Serial Bonds	15,540	13,890	1.55% - 2.35%	2023-2031	680	-	3,430
Term Bonds	5,895	5,895	2.70%	2032-2034	1,935	-	1,995
Term Bonds	6,610	6,610	3.10%	2040-2044	1,230	-	1,415
Term Bonds	6,400	4,370	3.75%	2047-2049	395	-	2,030
	<u>34,445</u>	<u>30,765</u>					
2020 SERIES A BONDS (S/F)							
2020 Series A (Non-AMT)							
Serial Bonds	9,800	8,205	1.30% - 2.40%	2023-2032	700	-	955
Term Bonds	1,995	1,995	2.60%	2033-2034	980	-	1,015
Term Bonds	7,195	7,195	2.85%	2035-2039	1,050	-	1,750
Term Bonds	8,645	8,645	3.00%	2040-2044	1,620	-	1,840
Term Bonds	6,715	4,825	3.75%	2047-2049	685	-	2,975
	<u>34,350</u>	<u>30,865</u>					

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2020 SERIES B BONDS (M/F)							
2020 Series B (Non-AMT)							
Serial Bonds	12,000	8,000	1.05% - 1.10%	2023-2024	4,000	-	-
Term Bonds	7,000	7,000	2.10%	2033-2035	2,140	-	2,530
Term Bonds	14,275	14,275	2.35%	2036-2040	2,690	-	3,015
Term Bonds	7,755	7,755	2.50%	2041-2045	1,470	-	1,640
Term Bonds	<u>8,970</u>	<u>8,970</u>	2.60%	2046-2050	1,695	-	1,900
	<u>50,000</u>	<u>46,000</u>					
2020 SERIES C BONDS (S/F)							
2020 Series C (Non-AMT)							
Serial Bonds	12,765	11,800	1.45% - 2.50%	2023-2032	950	-	1,675
Term Bonds	5,315	5,315	2.70%	2033-2035	1,715	-	1,830
Term Bonds	9,640	9,640	3.00%	2036-2040	1,770	-	2,055
Term Bonds	<u>11,235</u>	<u>8,425</u>	4.00%	2044-2050	290	-	1,690
	<u>38,955</u>	<u>35,180</u>					
2020 SERIES D BONDS (S/F)							
2020 Series D (Non-AMT)							
Serial Bonds	10,280	10,280	0.90% - 2.20%	2024-2032	990	-	1,310
Term Bonds	4,390	4,390	2.30%	2033-2035	1,090	-	2,170
Term Bonds	7,580	7,580	2.55%	2036-2040	1,270	-	2,215
Term Bonds	<u>12,750</u>	<u>12,750</u>	2.80%	2041-2045	1,465	-	4,120
	<u>35,000</u>	<u>35,000</u>					
2020 SERIES E BONDS (M/F)							
2020 Series E (Federally Taxable)							
Serial Bonds	<u>40,000</u>	<u>40,000</u>	2.02% - 2.74%	2026-2033	4,600	-	5,455
	<u>40,000</u>	<u>40,000</u>					
2020 SERIES F BONDS (S/F)							
2020 Series F (Non-AMT)							
Serial Bonds	10,465	10,070	0.45% - 1.75%	2023-2032	870	-	1,135
Term Bonds	3,415	3,415	2.00%	2033-2035	1,100	-	1,175
Term Bonds	6,535	6,535	2.15%	2036-2040	1,215	-	1,395
Term Bonds	7,710	7,710	2.25%	2041-2045	1,440	-	1,655
Term Bonds	<u>11,875</u>	<u>11,875</u>	2.40%	2046-2050	1,705	-	4,705
	<u>40,000</u>	<u>39,605</u>					
2020 SERIES G BONDS (S/F)							
2020 Series G (Non-AMT)							
Serial Bonds	25,180	25,180	0.50% - 2.20%	2024-2035	1,035	-	5,315
Term Bonds	<u>10,465</u>	<u>10,465</u>	2.38%	2036-2040	1,960	-	2,215
	<u>35,645</u>	<u>35,645</u>					
2020 SERIES H BONDS (S/F - M/F)							
2020 Series H (Federally Taxable)							
Serial Bonds	27,345	27,345	1.70% - 2.57%	2026-2032	3,800	-	4,055
Term Bonds	<u>12,655</u>	<u>12,655</u>	2.67%	2033-2035	4,130	-	4,310
	<u>40,000</u>	<u>40,000</u>					
2021 SERIES A BONDS (M/F)							
2021 Series A (Non-AMT)							
Serial Bonds	21,000	21,000	0.30% - 0.60%	2023-2026	4,000	-	8,000
Term Bonds	6,000	6,000	1.85%	2034-2036	1,955	-	2,040
Term Bonds	7,000	7,000	2.05%	2037-2041	1,345	-	1,455
Term Bonds	8,000	8,000	2.15%	2042-2046	1,540	-	1,660
Term Bonds	<u>8,000</u>	<u>8,000</u>	2.20%	2047-2051	1,530	-	1,665
	<u>50,000</u>	<u>50,000</u>					
2021 SERIES B BONDS (S/F)							
2021 Series B (Non-AMT)							
Serial Bonds	10,150	9,375	0.25% - 1.85%	2023-2032	825	-	1,050
Term Bonds	5,925	5,925	2.05%	2033-2036	1,425	-	1,550
Term Bonds	8,550	8,550	2.20%	2037-2041	1,600	-	1,800
Term Bonds	7,050	7,050	2.40%	2042-2046	1,325	-	1,500
Term Bonds	<u>8,325</u>	<u>8,325</u>	2.45%	2047-2051	1,550	-	1,800
	<u>40,000</u>	<u>39,225</u>					
2021 SERIES C BONDS (S/F)							
2021 Series C (Non-AMT)							
Serial Bonds	10,755	10,255	0.30% - 1.80%	2023-2033	795	-	1,080
Term Bonds	5,730	5,730	1.90%	2034-2036	1,850	-	1,965
Term Bonds	10,865	10,865	2.15%	2037-2041	2,035	-	2,310
Term Bonds	<u>12,650</u>	<u>12,650</u>	2.30%	2042-2046	2,375	-	2,700
	<u>40,000</u>	<u>39,500</u>					

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2021 SERIES D BONDS (S/F)							
2021 Series D (Non-AMT)							
Serial Bonds	11,675	11,675	0.40% - 2.10%	2023-2033	910	-	1,225
Term Bonds	3,915	3,915	2.20%	2034-2036	1,270	-	1,340
Term Bonds	7,325	7,325	2.40%	2037-2041	1,380	-	1,550
Term Bonds	7,960	7,960	2.65%	2042-2046	1,505	-	1,670
Term Bonds	8,455	8,235	3.00%	2049-2051	1,615	-	4,640
	<u>39,330</u>	<u>39,110</u>					
2022 SERIES A BONDS (M/F)							
2022 Series A (Non-AMT)							
Serial Bonds	19,000	19,000	0.40% -0.85%	2023-2026	3,500	-	6,500
Term Bonds	10,180	10,180	2.40%	2037-2041	1,945	-	2,120
Term Bonds	19,570	19,570	2.60%	2042-2046	3,720	-	4,125
Term Bonds	1,250	1,250	2.65%	2047-2051	235	-	265
	<u>50,000</u>	<u>50,000</u>					
2022 SERIES B BONDS (M/F)							
2022 Series B (Federally Taxable)							
Serial Bonds	40,000	40,000	1.50% -2.58%	2025-2032	2,780	-	6,440
Term Bonds	10,000	10,000	2.98%	2033-2036	2,395	-	2,610
	<u>50,000</u>	<u>50,000</u>					
2022 SERIES C BONDS (MF)							
2022 Series C (AMT)							
Term Bonds	69,865	69,865	Variable - 3.70%	2041-2051	1,280	-	12,230
	<u>69,865</u>	<u>69,865</u>					
2022 SERIES D BONDS (S/F)							
2022 Series D (Non-AMT)							
Serial Bonds	14,000	14,000	1.80% - 3.80%	2023-2034	715	-	2,840
Term Bonds	5,520	5,520	3.88%	2035-2037	1,750	-	1,930
Term Bonds	16,975	16,975	4.00%	2038-2042	2,070	-	6,555
Term Bonds	2,450	2,450	4.13%	2043-2047	450	-	525
Term Bonds	10,300	10,215	5.00%	2049-2052	660	-	3,965
	<u>49,245</u>	<u>49,160</u>					
2022 SERIES E BONDS (S/F)							
2022 Series E (Non-AMT)							
Serial Bonds	11,935	11,935	1.70% - 3.88%	2023-2034	515	-	1,320
Term Bonds	4,400	4,400	4.00%	2035-2037	1,395	-	1,540
Term Bonds	11,925	11,925	4.15%	2038-2042	2,145	-	2,630
Term Bonds	15,325	15,325	4.25%	2043-2047	2,775	-	3,340
Term Bonds	10,595	10,595	5.00%	2050-2052	1,775	-	5,685
	<u>54,180</u>	<u>54,180</u>					
2022 SERIES F BONDS (M/F)							
2022 Series F (Non-AMT)							
Serial Bonds	24,000	24,000	3.10% - 3.40%	2025-2027		8,000	
Term Bonds	16,000	16,000	4.85%	2038-2042	3,010	-	3,410
Term Bonds	20,000	20,000	4.95%	2043-2047	3,765	-	4,245
	<u>60,000</u>	<u>60,000</u>					
2022 SERIES G BONDS (S/F)							
2022 Series G-1 (Non-AMT)							
Serial Bonds	7,000	7,000	3.45% - 4.10%	2025-2029	1,000	-	3,000
Term Bonds	8,000	8,000	5.15%	2038-2042	1,425	-	1,785
Term Bonds	9,000	9,000	5.30%	2043-2047	1,605	-	2,005
Term Bonds	12,000	12,000	5.40%	2048-2052	2,160	-	2,590
2022 Series G-2 (Non-AMT)							
Term Bonds	24,000	24,000	4.21%	2033-2037	4,410	-	5,205
	<u>60,000</u>	<u>60,000</u>					
		1,674,325					
Plus: Net Unamortized Bond Premium		<u>24</u>					
Total Mortgage Purchase Fund	<u>2,237,895</u>	<u>1,674,349</u>					
Total Proprietary Funds	<u>\$2,237,895</u>	<u>\$1,674,349</u>					

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
GOVERNMENTAL FUNDS							
MAINE ENERGY, HOUSING & ECONOMIC RECOVERY FUND							
2021 Series 1 (Non-AMT)							
Serial Bonds	\$15,020	\$15,020	5.00%	2034-2037	3,265	-	4,110
2021 Series 2 (Taxable)							
Serial Bonds	38,930	35,485	0.42% - 2.42%	2023-2034	295	-	3,480
		50,505					
Plus: Net Unamortized Bond Premium		3,802					
Total Maine Energy, Housing & Recovery Fund Group	53,950	54,307					
Total Governmental Funds	\$53,950	\$54,307					

The following table summarizes bond debt activity for the year ended December 31, 2022:

<u>Fund</u>	Outstanding at December 31, 2021	Issues	Retirement	Outstanding at December 31, 2022
Mortgage Purchase Fund	\$1,497,590	\$393,290	(\$216,555)	\$1,674,325
Maine Energy, Housing & Economic Recovery Fund	53,950	0	(3,445)	50,505
Total	\$1,551,540	\$393,290	(\$220,000)	\$1,724,830

Interest on bonds is payable semi-annually for the Mortgage Purchase Fund and the Maine Energy, Housing & Economic Recovery Fund. Scheduled principal payments on bonds are due November 15 for the Mortgage Purchase Fund and June 15 for the Maine Energy, Housing & Economic Recovery Fund.

The interest calculations shown in the table below are based on the variable rate in effect at December 31, 2022 and may not be indicative of actual interest expense that will be incurred. As rates vary, variable rate bond interest payments and net swap payments will vary. The following table provides a summary of MaineHousing's bond debt service requirements and net interest rate swap payments through 2027 and in five-year increments thereafter to maturity:

Year(s)	Mortgage Purchase Fund					Maine Energy, Housing & Economic Recovery Fund	
	Fixed and Variable Unswapped		Variable Swapped		Swaps	Fixed	
	Principal	Interest	Principal	Interest	Net Interest	Principal	Interest
2023	\$52,060	\$43,906	\$0	\$7,992	(\$3,547)	\$3,020	\$1,289
2024	57,765	43,070	0	8,194	(3,628)	3,035	1,272
2025	66,915	42,160	0	8,189	(3,617)	3,055	1,247
2026	69,135	40,858	0	8,191	(3,522)	3,085	1,214
2027	64,850	39,428	0	8,191	(2,732)	3,120	1,174
2028-2032	271,960	175,115	11,880	40,318	(12,539)	16,395	5,031
2033-2037	270,350	135,624	40,665	36,636	(3,278)	18,795	2,372
2038-2042	258,376	93,274	8,814	30,297	-	0	0
2043-2047	219,310	50,251	57,310	27,101	0	0	0
2048-2052	131,599	16,880	88,941	8,771	0	0	0
2053-2057	4,395	208	0	0	0	0	0
Total	\$1,466,715	\$680,774	\$207,610	\$183,880	(\$32,863)	\$50,505	\$13,599

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

MaineHousing's bonds are a special obligation of MaineHousing and do not constitute a debt or liability of the State of Maine. The bonds are secured in accordance with bond resolutions. Security for bonds in the Mortgage Purchase Fund includes the mortgage loans made or purchased under the resolution and all monies and investments in the fund and accounts pledged under the resolution. Bonds in the Mortgage Purchase Fund may be redeemed in excess of the annual maturities in accordance with the terms of the resolution. Bonds in the Maine Energy, Housing & Economic Recovery Fund are secured by a portion of the Real Estate Transfer Tax revenues collected by the State of Maine and the bonds may be redeemed in excess of the annual maturities.

Notes Payable

At December 31, 2022, MaineHousing has a \$14,261 note payable to TD Bank, N.A. at a fixed rate of 3.20%, maturing November 1, 2033. The note, which is recorded in the General Administrative Fund, has principal and interest payments due monthly based on a 20-year amortization schedule.

The proceeds from this note were used for the acquisition and rehabilitation of an office building for MaineHousing. The note is secured by a mortgage agreement on the property and a \$2,434 non-negotiable certificate of deposit held with the lender.

The following table provides a summary of note payment requirements through 2027 and in five-year increments thereafter to maturity:

Year(s)	Principal	Interest	Total
2023	\$636	\$453	\$1,089
2024	655	434	1,089
2025	678	411	1,089
2026	700	389	1,089
2027	723	365	1,088
2028-2032	3,988	1,455	5,443
2033	6,881	210	7,091
Total	<u>\$14,261</u>	<u>\$3,717</u>	<u>\$17,978</u>

Moral Obligation Debt

The reserve funds of the Mortgage Purchase Fund are secured by a non-binding obligation (moral obligation) from the State of Maine to replenish by appropriation any deficiency in such reserve funds. MaineHousing is authorized to have an aggregate amount not to exceed \$2,150,000 of outstanding bonds secured by this obligation. Of that amount, \$1,674,325 was outstanding at December 31, 2022.

Other Debt

MaineHousing uses its tax-exempt debt issuing authority to provide financial assistance to private sector developers for the acquisition and rehabilitation, or the construction of multi-family housing projects serving low-to-moderate income households. The debt, which is referred to as conduit debt, is collateralized by revenues generated by the properties financed and is repayable solely from payments received on the underlying mortgage loans and any specific third-party credit enhancement associated with the individual financings. MaineHousing has a total of \$26,943 outstanding at December 31, 2022. The debt does not constitute a liability or a pledge of faith and credit of MaineHousing and is not reported in the accompanying financial statements.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

(7.) INTEREST RATE SWAP AGREEMENTS

MaineHousing has thirteen interest rate swap agreements (swaps) with four counterparties as of December 31, 2022. The objective of the agreements is to attain a synthetic fixed interest rate on a portion of its variable rate bonds at a cost expected to be less than rates associated with fixed-rate debt. The swap agreement terms state MaineHousing is to make semi-annual fixed interest rate payments at a specified rate on a notional principal amount and in exchange receive semi-annual payments based upon either the thirty-day or ninety-day London InterBank Offered Rate (LIBOR) or the Securities Industry and Financial Markets Association Municipal Swap Index (SIFMA).

The swaps have an aggregate positive fair value of \$18,560 at December 31, 2022. During 2022, the fair value of the swaps increased by \$28,673. The fair value was estimated using a zero-coupon method and Level 3 inputs. This method calculates the future net settlement payments required by the swaps, assuming that the current forward rates implied by the current yield curve correctly anticipate future spot interest rates. These payments are then discounted using spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. These amounts are adjusted for estimated unwinding costs.

The swaps have been determined to constitute an effective hedge of a portion of the variable rate bond portfolio equal to the notional amount of the swaps at December 31, 2022 by using the regression analysis and synthetic instrument methods. The aggregate fair value is classified as a derivative instrument asset and a deferred inflow of resources, which represents the accumulated increase in fair value. Variable rate bonds outstanding at December 31, 2022 total \$282,865.

The following table contains the terms, fair values, and credit ratings of the swaps as of December 31, 2022. Specific swaps are assigned to certain debt issuances for arbitrage purposes. The credit ratings were issued by Moody's Investor Services and Standard & Poor's, respectively.

Related Debt Issuance	Current Notional Amount	Effective Date of Swap	Fixed Rate Paid	Variable Rate Received	Fair Value	Swap Termination Date	Counterparty Credit Rating
2015 Series E-3	\$5,000	11/15/2016	1.15%	70% of 30 day LIBOR	\$249	11/15/2025	Aa1/AA-
2015 Series E-3	5,000	11/15/2019	1.40%	70% of 30 day LIBOR	367	11/15/2029	Aa3/A+
2015 Series E-3	20,000	5/15/2021	1.46%	67% of 30 day LIBOR	1,534	11/15/2032	A1/A
2016 Series B-2	8,000	5/15/2017	1.61%	70% of 30 day LIBOR	699	11/15/2031 ¹	Aa1/AA-
2016 Series B-2	20,000	11/15/2017	1.66%	70% of 30 day LIBOR	1,696	11/15/2031 ¹	Aa1/AA-
2017 Series E	25,000	11/15/2021	1.69%	100% of 30 day LIBOR	4,086	11/15/2032	Aa3/A+
2017 Series G-1	25,000	11/15/2019	1.90%	100% of 30 day LIBOR	1,845	11/15/2026	A1/A
2017 Series G-1	30,000	11/15/2020	0.88%	100% of 90 day LIBOR	8,717	11/15/2035	A1/A
2022 Series C	19,610	2/1/2006	3.59%	65% of 30 day LIBOR	(2,001)	11/15/2037	Aa2/A+
2022 Series C	10,000	11/15/2019	1.87%	75% of 30 day LIBOR plus 0.46%	575	11/15/2026	Aa3/A+
2022 Series C	12,500	11/15/2018	2.57%	70% of 30 day LIBOR plus 0.45%	356	11/15/2028	Aa3/A+
2022 Series C	12,500	11/15/2018	2.59%	70% of 30 day LIBOR plus 0.45%	468	11/15/2033	Aa3/A+
2022 Series C	15,000	1/29/2008	3.71%	100% of SIFMA plus .06%	(31)	5/15/2023	Aa2/A+
Totals	<u>\$207,610</u>				<u>\$18,560</u>		

1. MaineHousing has the option of termination, with no Termination Payment on November 15, 2026 and on each May 15 and November 15 thereafter.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Credit Risk – The swaps contain varying collateral agreements with the counterparties in order to mitigate the potential for credit risk. The requirements of the collateral agreements were met as of December 31, 2022. MaineHousing is not exposed to credit risk for the swaps that have negative fair values. At December 31, 2022, there are eleven swaps that have positive fair values totaling \$20,592. This amount represents MaineHousing's credit exposure to the related counterparties and the maximum loss that would be recognized at the reporting date if the counterparty failed to perform as contracted. Fair value is only a factor upon termination.

Basis Risk – The floating rate payments provided by the counterparties are based upon either the SIFMA index or the LIBOR index. MaineHousing's floating rate bonds will have rates adjusted weekly. The LIBOR rate will be adjusted on a monthly basis, except for 2017 Series G-1, which is adjusted on a quarterly basis. MaineHousing's bonds are expected to track with the SIFMA Index, which differs from the LIBOR index. If the floating rate tax exempt bonds, which should correspond to the SIFMA index, trade at a value significantly different than their historical relationship to LIBOR, the net cost to MaineHousing could increase or decrease. As of December 31, 2022, the thirty day LIBOR rate and the ninety day LIBOR rate were 4.39% and 4.77%, respectively and the SIFMA rate was 3.66%.

Termination Risk – In addition to the optional terminations embedded in some of MaineHousing's swap agreements, agreements may be terminated in whole or in part prior to the respective maturities of the bonds under certain circumstances (including certain events of default with respect to MaineHousing or the swap providers). Following certain terminations of the swap agreements, either MaineHousing or the swap providers, as applicable, may owe a termination payment equal to the fair value of the swap to the other, depending upon market conditions and the events that caused such swap agreements to terminate. Under certain circumstances, this termination payment could be substantial. Such termination payment by MaineHousing would be payable on a basis subordinate to the payments on the bonds.

Rollover Risk – MaineHousing is exposed to rollover risk on swaps that mature or may be terminated prior to the maturity of the associated debt.

(8.) RETIREMENT BENEFITS

MaineHousing has defined contribution and defined benefit pension plans that cover substantially all employees. Employees have the option to participate in either plan.

Defined Contribution Plan

The defined contribution plan consists of a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and a separate plan created under the provisions of the Internal Revenue Code Section 401(a).

Benefit terms, including contribution requirements, for the defined contribution plan are established by management. For each participant in the plan, MaineHousing contributes 3.2% of annual salary to the 401(a) plan. Additionally, if a participant makes voluntary contributions to the 457 plan, MaineHousing matches the contributions up to 7.3% of annual salary. The employer match contribution is made to the 401(a) plan.

For the year ended December 31, 2022, employee contributions totaled \$874 and MaineHousing contributed and recognized expense of \$641. Employees are immediately vested in their own contributions, MaineHousing contributions, and the earnings on those contributions.

Defined Benefit Plan

Plan Description: MaineHousing is a participating local district (PLD) member of the Maine Public Employees Retirement System's (MainePERS) PLD Consolidated Retirement Plan and employees may elect to participate in this multiple-employer cost sharing defined benefit plan. An advisory group established by Maine statute reviews the terms of the plan and periodically makes recommendations to the Legislature to amend them.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Benefits Provided: Retirement benefits are based on participants' average final compensation and service credit earned as of retirement. Vesting occurs upon the earning of five years of service credit. The normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years (20 years for participants in the plan prior to July 1, 2014) of service credit is reduced by a statutorily prescribed factor for each year of age that a participant is below her/his normal retirement age at retirement.

Post-retirement cost-of-living adjustments (COLA) become available to participants after 24 months of retirement. The post-retirement COLA is capped at 2.5% annually. The plan also provides disability and death benefits, which are established by contract under applicable statutory provisions.

Upon termination, accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and rights. The annual rate of interest credited to participants' accounts is set by MainePERS Board of Trustees and is currently 1.52%.

Contributions: Retirement benefits are funded by contributions from participants and employers and by earnings from MainePERS investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Participant and employer normal cost contributions are each a percentage of applicable participant compensation. Participant contribution rates are defined by law or by the MainePERS Board of Trustees. Employers' contributions are determined by actuarial valuations. As of December 31, 2022, the established MainePERS employer contribution rate is 10.2% and employee contribution rates are 7.60% for participants with a normal retirement age of 60 and 6.85% for participants with a normal retirement age of 65. MaineHousing pays on behalf of its employees 0.30% of the MainePERS employee contribution rate. If a participant retires and is subsequently re-employed in a position covered by the plan, the employer contribution rate is 5%. Total employer contributions were \$552 for the year ended December 31, 2022.

Actuarial Methods and Assumptions

The collective total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following methods and assumptions, applied to all periods included in the measurement:

Actuarial Cost Method – The Entry Age Normal cost method is used to determine costs. Under this cost method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each member. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his/her expected future salary. The normal cost for each member is the product of his/her pay and his/her normal cost rate. The normal cost for the group is the sum of the normal costs for all members. Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method – The actuarial valuation employs a technique for determining the actuarial value of assets which reduces the impact of short-term volatility in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization – The net pension liability is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Actuarial Assumptions: The actuarial valuation as of June 30, 2022 and June 30, 2021 used the following actuarial assumptions:

Investment Rate of Return – 6.50% per annum, compounded annually.

Inflation Rate – 2.75%.

Annual Salary Increases, Including Inflation – 2.75% to 11.48%.

Cost of Living Benefit Increases – 1.91%

Mortality Rates – 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table for males and females, projected generationally using RPEC_2020 model.

The actuarial and demographic assumptions used in the June 30, 2022 valuations were based on the results of an actuarial experience study covering the period July 1, 2015 through June 30, 2020. The actuarial and demographic assumptions used in the June 30, 2021 actuarial valuations were based on the results of an actuarial experience study for the period of June 30, 2016 to June 30, 2020. The economic assumptions are based on this experience study along with advice of the MainePERS investment consultants for June 30, 2022 and June 30, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method 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 class of assets. 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 pension plan's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Public Equities	30.0%	6.0%
US Government	10.0%	2.3%
Private Equity	12.5%	7.6%
Real Estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.0%
Traditional Credit	5.0%	3.2%
Alternative Credit	10.0%	7.4%
Risk Diversifiers	7.5%	5.9%

Discount Rate: The discount rate used to measure the collective total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that participant contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to 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.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Net Pension Liability: At December 31, 2022, MaineHousing has a liability of \$1,780 for its proportionate share of the total collective net pension liability. The net pension liability was measured as of June 30, 2022 and the total collective pension liability used to calculate the proportionate share of the net pension liability was determined by an actuarial valuation as of that date. MaineHousing's proportion of the net pension liability was based on MaineHousing's employer contributions received by MainePERS during the measurement period July 1, 2021 through June 30, 2022, relative to the total employer contributions received from all participating entities. MaineHousing's proportion was 0.669532% at December 31, 2022. The proportion was 0.674986% at December 31, 2021.

Sensitivity of MaineHousing's proportionate share of the net pension liability to changes in the discount rate: The following represents MaineHousing's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what MaineHousing's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate.

1% Decrease	Current Discount Rate	1% Increase
<u>@ 5.50%</u>	<u>@ 6.50%</u>	<u>@ 7.50%</u>
\$5,258	\$1,780	(\$1,095)

Changes in net pension liability are recognized in pension expense for the year ended December 31, 2022 with the following exceptions:

Differences Between Expected and Actual Experience – The difference between expected and actual experience with regard to economic or demographic factors was recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. For 2022 and 2021 valuation, this was three years.

Differences Between Projected and Actual Investment Earnings – Differences between projected and actual investment earnings were recognized in pension expense using a straight-line amortization method over a closed five-year period. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Changes in Assumptions – Differences due to changes in assumptions about future economic or demographic factors or other inputs were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. The actuarial assumptions for the June 30, 2022 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions – Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. The first year is recognized as pension expense and the remaining years are shown either as deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended December 31, 2022, MaineHousing recognized pension expense of \$340 and 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	\$331	\$0
Employer contributions subsequent to the measurement date	267	0
Net difference between projected and actual earnings on pension plan investments	0	747
Changes in proportion and differences between employer contributions and proportionate share of contributions	0	51
Changes of assumptions	361	0
Total	\$959	\$798

Amounts reported as deferred outflows of resources related to pensions for MaineHousing's contributions subsequent to the measurement date will be recognized as an addition to the Net Pension Liability for the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (benefit) through December 31, 2026 as follows:

Year ended	Pension Expense (Benefit)
December 31:	Amount
2023	\$179
2024	(\$171)
2025	(\$464)
2026	\$350

Payables to the Pension Plan: At December 31, 2022, MaineHousing's total payable to MainePERS for unremitted contributions is \$43.

Pension plan fiduciary net position: Detailed information about the plan's fiduciary net position is available in the separately issued MainePERS' Comprehensive Annual Financial Report at www.maineper.org

(9.) AVAILABLE BONDS PROCEEDS

MORTGAGE PURCHASE FUND

The following bond proceed amounts are invested in the various bond proceed sub-accounts of the Bond Proceeds Fund of the Mortgage Purchase Fund and are available for the purchase of mortgages:

2019 Series D (M/F)	\$378
2020 Series B (M/F)	4,154
2020 Series H (S/F, M/F)	438
2021 Series A (M/F)	2,437
2021 Series D (S/F)	7,107
2022 Series A (M/F)	15,705
2022 Series B (M/F)	22,388
2022 Series E (S/F)	18,984
2022 Series F (M/F)	47,574
2022 Series G (S/F)	56,035
	\$175,200

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

MAINE ENERGY, HOUSING AND ECONOMIC RECOVERY FUND

Bond proceeds in the amount of \$31,413 from the 2021 Series 2 are invested in accordance with the Maine Energy, Housing and Recovery General Indenture and are available for program activities.

(10.) COMMITMENTS

MORTGAGE COMMITMENTS

Mortgage commitments are agreements to loan money provided there is no violation of any term or condition established in the agreement. Generally, once exercised, loans made under the terms of such commitments are secured by a lien on the related property and other collateral as MaineHousing deems necessary. At December 31, 2022, MaineHousing had outstanding commitments to originate multi-family mortgage loans of approximately \$307,794. MaineHousing, under its single-family program, enters into purchase agreements with lenders to purchase mortgage loans. At December 31, 2022, single-family loans being processed by lenders for MaineHousing totaled approximately \$45,409.

(11.) RESERVE FUNDS

MORTGAGE PURCHASE FUND – HOUSING RESERVE FUND

On or before December 1 of each year, MaineHousing is required to value the Housing Reserve Fund and verify to the Governor of the State of Maine that the sum of money in the fund equals or exceeds the Housing Reserve Fund Minimum Requirement. The Housing Reserve Fund Minimum Requirement equals the amount of principal and interest maturing and coming due in the next succeeding calendar year on bonds outstanding. The Housing Reserve Fund Minimum Requirement as of December 31, 2022 was \$123,129. When issuing bonds, MaineHousing must also meet the Housing Reserve Fund Maximum Requirement. The Housing Reserve Fund Maximum Requirement equals the maximum debt service required in any subsequent calendar year. The Housing Reserve Fund Maximum Requirement as of December 31, 2022 was \$140,583.

In calculating the Housing Reserve Minimum and the Housing Reserve Maximum requirements, MaineHousing assumes a 12% rate for variable rate bonds, which is the maximum interest rate under the terms of the bonds. Swap payments and receipts are not included in the calculation. At December 31, 2022, valuation of the investments in the Housing Reserve Fund, computed at the lower of par or cost in accordance with the General Mortgage Purchase Program Bond Resolution, was \$151,906.

MAINE ENERGY, HOUSING & ECONOMIC RECOVERY FUND – RESERVE FUND

MaineHousing is not required to maintain a Reserve Fund for outstanding bonds.

Between July 1 and July 15 of each year, MaineHousing must certify to the Treasurer of the State the amount necessary and sufficient to meet MaineHousing's debt service obligation. As of December 31, 2022, the maximum debt service amount was \$4,319.

(12.) EXCESS ARBITRAGE TO BE REBATED

Tax-exempt bonds issued by MaineHousing are subject to Internal Revenue Service regulations that limit the amount of income that can be earned with non-mortgage investments to an amount not greater than the amount that would have been earned had the funds been invested at the yield on the bonds. Excess earnings must be rebated every five years. At December 31, 2022, there are no arbitrage liabilities to be rebated.

Prior rebate payments made by MaineHousing that are eligible for refund from the United States Treasury, based on estimated arbitrage rebate calculations, are recorded as a receivable in other assets. MaineHousing has receivables in the amount of \$184 in the Mortgage Purchase Fund at December 31, 2022.

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

(13.) FUND TRANSFERS AND INTERFUND BALANCES

MaineHousing records transfers between funds for various purposes including program subsidies, fees and capital asset transfers. Transfers for the year ended December 31, 2022 consisted of the following:

	General Administrative Fund	HOME Fund	Section 8 Housing Programs	Low Income Home Energy Assistance Program	Other Federal and State Programs
Capital Assets	\$251	\$0	\$0	(\$221)	(\$30)
Program Subsidies	(100)	100	0	0	0
Program Administrative Fees	1,628	0	(1,628)	0	0
	<u>\$1,779</u>	<u>\$100</u>	<u>(\$1,628)</u>	<u>(\$221)</u>	<u>(\$30)</u>

MaineHousing reports interfund balances among its funds. These balances generally consist of amounts for various revenues or expenses due to a fund, but received or paid to another and funds for loan closings. These amounts are generally paid or received within the subsequent year.

Interfund accounts receivable (payable) balances at December 31, 2022 consisted of the following:

	Mortgage Purchase Fund	Bondholder Reserve Fund	General Administrative Fund	HOME Fund	Section 8 Housing Programs	Low Income Home Energy Assistance Program	Emergency Rental Assistance Programs	Maine Energy, Housing & Economic Recovery Program	Other Federal and State Programs
Receivable due from:									
Mortgage Purchase Fund	\$0	\$0	\$2,895	\$0	\$0	\$0	\$0	\$0	\$0
General Administrative Fund	0	0	0	16,807	0	0	0	0	31,832
Other Federal And State Programs	0	0	6,949	7,779	61	0	0	0	0
Collectively, all other funds	0	0	13	0	0	0	0	0	0
	0	0	9,857	24,586	61	0	0	0	31,832
Payables	(2,895)	(10)	(48,639)	(61)	(358)	(1,288)	(5,303)	(3)	(7,779)
	<u>(\$2,895)</u>	<u>(\$10)</u>	<u>(\$38,782)</u>	<u>\$24,525</u>	<u>(\$297)</u>	<u>(\$1,288)</u>	<u>(\$5,303)</u>	<u>(\$3)</u>	<u>\$24,053</u>

The receivable amounts of the General Administrative Fund consist primarily of operating expenses owed from the Mortgage Purchase Fund, Section 8 Housing Programs, Low Income Home Energy Assistance Program, and Emergency Rental Assistance Programs. The General Administrative Fund payable amounts consist primarily of program funds received and due to the HOME Fund and Other Federal and State Programs. The receivable amount of the HOME fund includes advancements for program expenditures owed from Other Federal and State Programs.

(14.) REDEMPTION OF BONDS

For the year ended December 31, 2022, MaineHousing redeemed prior to maturity \$207,365 of its Mortgage Purchase Fund bonds from recoveries of principal and surplus and the proceeds of refunded bonds. Gains of \$557 were attributed to the recognition of related bond premium. The following is a summary of bonds redeemed:

	Interest Rate	Original Maturity	Amount	Redemption Price
2005 Series G Term Bonds	Variable	11/15/2037	\$19,865	100%
2013 Series B Term Bonds	3.45%	11/15/2032	20,825	100%
2013 Series B Term Bonds	4.00%	11/15/2043	340	100%
2014 Series C-1 Serial Bonds	3.10%	11/15/2024	1,370	100%
2014 Series C-1 Term Bonds	3.50%	11/15/2044	780	100%
2014 Series C-1 Term Bonds	3.50%	11/15/2044	745	100%
2014 Series C-2 Term Bonds	3.75%	11/15/2034	10,945	100%

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

	<u>Interest Rate</u>	<u>Original Maturity</u>	<u>Amount</u>	<u>Redemption Price</u>
2015 Series A-1 Serial Bonds	2.88%	11/15/2023	1,745	100%
2015 Series A-1 Serial Bonds	2.95%	11/15/2024	1,790	100%
2015 Series A-1 Serial Bonds	3.05%	11/15/2025	1,855	100%
2015 Series A-3 Term Bonds	3.50%	11/15/2034	2,085	100%
2015 Series A-3 Term Bonds	3.63%	11/15/2039	2,505	100%
2015 Series B Term Bonds	3.50%	11/15/2040	565	100%
2015 Series B Term Bonds	3.50%	11/15/2040	540	100%
2015 Series C Term Bonds	3.59%	11/15/2030	4,100	100%
2015 Series D Serial Bonds	2.80%	11/15/2023	900	100%
2015 Series D Serial Bonds	2.95%	11/15/2024	930	100%
2015 Series D Serial Bonds	3.13%	11/15/2025	970	100%
2015 Series D Term Bonds	4.00%	11/15/2045	405	100%
2015 Series D Term Bonds	4.00%	11/15/2045	385	100%
2015 Series E-1 Term Bonds	3.50%	11/15/2035	1,290	100%
2015 Series E-1 Term Bonds	3.50%	11/15/2035	1,235	100%
2015 Series F-3 Term Bonds	3.95%	11/15/2040	7,815	100%
2015 Series G Term Bonds	3.65%	11/15/2035	1,420	100%
2015 Series G Term Bonds	3.50%	11/15/2045	375	100%
2015 Series G Term Bonds	3.50%	11/15/2045	360	100%
2016 Series A Serial Bonds	1.70%	11/15/2022	745	100%
2016 Series A Term Bonds	4.00%	11/15/2045	480	100%
2016 Series A Term Bonds	4.00%	11/15/2045	460	100%
2016 Series B-1 Serial Bonds	1.70%	11/15/2022	1,970	100%
2016 Series B-1 Term Bonds	3.50%	11/15/2046	1,265	100%
2016 Series B-1 Term Bonds	3.50%	11/15/2046	1,205	100%
2016 Series C Serial Bonds	1.55%	11/15/2022	950	100%
2016 Series C Term Bonds	3.50%	11/15/2046	580	100%
2016 Series C Term Bonds	3.50%	11/15/2046	560	100%
2016 Series E Term Bonds	3.63%	11/15/2031	800	100%
2016 Series E Term Bonds	4.00%	11/15/2046	560	100%
2016 Series E Term Bonds	4.00%	11/15/2046	535	100%
2017 Series A Term Bonds	3.65%	11/15/2032	1,685	100%
2017 Series A Term Bonds	4.00%	11/15/2047	480	100%
2017 Series A Term Bonds	4.00%	11/15/2047	465	100%
2017 Series B Serial Bonds	1.65%	11/15/2022	690	100%
2017 Series B Term Bonds	3.65%	11/15/2037	3,565	100%
2017 Series B Term Bonds	4.00%	11/15/2047	530	100%
2017 Series B Term Bonds	4.00%	11/15/2047	510	100%
2017 Series D-1 Serial Bonds	1.70%	11/15/2022	1,000	100%
2017 Series D-2 Term Bonds	Variable	11/15/2046	50,000	100%
2017 Series F Term Bonds	3.50%	11/15/2047	835	100%
2017 Series F Term Bonds	3.50%	11/15/2047	805	100%
2017 Series H Term Bonds	3.55%	11/15/2037	5,130	100%
2018 Series A Term Bonds	3.50%	11/15/2033	1,215	100%
2018 Series A Term Bonds	3.75%	11/15/2038	3,390	100%
2018 Series B Term Bonds	3.50%	11/15/2033	3,560	100%
2018 Series B Term Bonds	3.75%	11/15/2038	4,420	100%
2018 Series C Term Bonds	3.55%	11/15/2033	4,080	100%
2018 Series C Term Bonds	3.95%	11/15/2043	9,595	100%
2018 Series C Term Bonds	4.00%	11/15/2048	805	100%
2018 Series C Term Bonds	4.00%	11/15/2048	780	100%

Maine State Housing Authority
Notes to Financial Statements – December 31, 2022
(IN THOUSANDS OF DOLLARS)

	<u>Interest Rate</u>	<u>Original Maturity</u>	<u>Amount</u>	<u>Redemption Price</u>
2018 Series F Serial Bonds	2.85%	11/15/2024	1,235	100%
2018 Series F Serial Bonds	3.00%	11/15/2025	565	100%
2018 Series F Serial Bonds	3.15%	11/15/2026	595	100%
2018 Series F Serial Bonds	3.40%	11/15/2028	765	100%
2018 Series F Serial Bonds	3.55%	11/15/2029	800	100%
2018 Series F Term Bonds	4.25%	11/15/2048	810	100%
2018 Series F Term Bonds	4.25%	11/15/2048	780	100%
2019 Series A Term Bonds	3.80%	11/15/2039	475	100%
2019 Series A Term Bonds	4.00%	11/15/2049	730	100%
2019 Series A Term Bonds	4.00%	11/15/2049	705	100%
2019 Series B Serial Bonds	1.80%	11/15/2022	1,480	100%
2019 Series C Serial Bonds	1.45%	11/15/2022	755	100%
2019 Series C Term Bonds	4.00%	11/15/2050	745	100%
2019 Series C Term Bonds	4.00%	11/15/2050	740	100%
2019 Series E Serial Bonds	1.50%	11/15/2022	660	100%
2019 Series E Term Bonds	3.75%	11/15/2049	515	100%
2019 Series E Term Bonds	3.75%	11/15/2049	550	100%
2020 Series A Serial Bonds	1.25%	11/15/2022	680	100%
2020 Series A Term Bonds	3.75%	11/15/2049	490	100%
2020 Series A Term Bonds	3.75%	11/15/2049	565	100%
2020 Series C Serial Bonds	1.35%	11/15/2022	965	100%
2020 Series C Term Bonds	4.00%	11/15/2050	755	100%
2020 Series C Term Bonds	4.00%	11/15/2050	910	100%
2021 Series D Term Bonds	3.00%	11/15/2051	35	100%
2021 Series D Term Bonds	3.00%	11/15/2051	185	100%
2022 Series D Term Bonds	5.00%	11/15/2052	85	100%
			<u>\$207,365</u>	

(15.) CONTINGENCIES

MaineHousing is subject to various legal proceedings and claims that arise in the normal course of its business. MaineHousing also receives funding from federal government agencies. These funds are to be used for designated purposes only and are subject to financial and compliance audits and the resolution of identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time. In the opinion of management, the ultimate resolution of these actions will not materially affect the accompanying financial statements.

(16.) SUBSEQUENT EVENTS

Subsequent to December 31, 2022, MaineHousing issued bonds. The following is a summary of subsequent event transactions.

On February 22, 2023, MaineHousing issued, at par, \$115,000 of bonds in the General Mortgage Purchase Bond Resolution as follows:

	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Issued Price</u>
2023 Series A Serial Bonds	2.70%-3.75%	2024-2034	\$7,670	100%
2023 Series A Term Bonds	4.15%	2038	5,135	100%
2023 Series A Term Bonds	4.40%	2043	5,085	100%
2023 Series A Term Bonds	4.60%	2048	12,350	100%
2023 Series A Term Bonds	4.70%	2053	9,760	100%
2023 Series B Term Bonds	3.13%	2054	75,000	100%
			<u>\$115,000</u>	

**MAINE STATE HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF SELECTED PENSION INFORMATION - UNAUDITED
PRESENTED FOR YEARS INFORMATION IS AVAILABLE
FOR THE YEAR ENDED DECEMBER 31, 2022
(IN THOUSANDS OF DOLLARS)**

**Schedule of MaineHousing's Proportionate Share of Net Pension Liability (Asset)
Last Ten Fiscal Years
As of Measurement Date of June 30:**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's Proportion of the Net Pension Liability (Asset)	0.669532%	0.674986%	0.709590%	0.746717%	0.834117%	0.906494%	0.922203%	1.181151%	1.420739%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$1,780	(\$217)	\$2,819	\$2,282	\$2,823	\$3,712	\$4,899	\$3,768	\$2,186
Employer's Covered-Employee Payroll	\$5,516	\$4,972	\$4,567	\$4,544	\$4,658	\$4,892	\$4,810	\$4,598	\$4,691
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	32.3%	(4.4%)	61.7%	50.2%	60.6%	75.9%	101.9%	81.9%	46.6%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	93.3%	100.9%	88.3%	90.6%	91.1%	86.4%	81.6%	88.3%	94.1%

**Schedule of MaineHousing's Pension Contributions
Last Ten Fiscal Years
As of Measurement Date of June 30:**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$552	\$504	\$480	\$477	\$490	\$513	\$505	\$483	\$492
Contributions in Relation to Contractually Required Contribution	\$552	\$504	\$480	\$477	\$490	\$513	\$505	\$483	\$492
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employer's Covered Employee Payroll	\$5,516	\$4,972	\$4,567	\$4,544	\$4,658	\$4,892	\$4,810	\$4,598	\$4,691
Contributions as a Percentage of Covered Employee Payroll	10.0%	10.1%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%

The above schedules are intended to show information for 10 years. Retroactive information is not required to be presented. Information will be presented each year until 10 years of such information is available.

Notes to Required Supplementary Information

Changes of Benefit Terms:

There were no changes of benefit terms for the measurement period ended June 30, 2022.

Changes of Assumptions:

There were no changes of assumptions for the measurement period ended June 30, 2022.

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract/Pass-through Identifying Number</u>	<u>Amounts Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
U.S. Department of Housing and Urban Development:				
Section 8 Project-Based Cluster:				
Lower Income Housing Assistance Program – Section 8 Moderate Rehabilitation	14.856	ME901MR	\$ <u> –</u>	\$ <u> 733,276</u>
Total Section 8 Project-Based Cluster			–	733,276
Housing Voucher Cluster:				
Section 8 Housing Choice Voucher Program	14.871	ME901	–	34,359,698
COVID-19 – Section 8 Housing Choice Voucher Program – <i>American Rescue Plan Act</i>	14.871	COVID-19/ME901	–	740,615
Section 8 Mainstream Voucher Program	14.879	ME901MS5	<u> –</u>	<u> 148,995</u>
Total Housing Voucher Cluster				35,249,308
Section 8 Performance Based Contract Administrator Program	14.327	ME800CC001	–	79,540,465
Continuum of Care Program – Planning Program	14.267	ME0129L1T002000	–	402,654
Continuum of Care Program – Coordinated Entry Program	14.267	ME0119L1T002003	–	7,637
Continuum of Care Program – Rental Assistance Program	14.267	ME0113L1T002004	–	304,631
Family Self-Sufficiency Program	14.896	FSS22ME4236	–	81,743
Emergency Solutions Grants Program	14.231	E-22-DC-23-0001	–	1,387,536
COVID-19 – Emergency Solutions Grants Program	14.231	COVID-19/E-21-DW-23-0001	–	3,112,089
Homeless Management Information Systems Technical Assistance	14.261	ME0017L1T002013	–	329,905
HOME Investment Partnerships Program	14.239	M-18/M-19/M-20-SG-23-0100	–	4,471,975
COVID-19 – HOME Investment Partnerships Program – <i>American Rescue Plan Act</i>	14.239	COVID-19/M21-SP230100	–	48,571
Housing Trust Fund	14.275	F-17/18/19/F-20-SG-23-0100	–	1,703,815
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	MELHB074119	1,716,152	1,849,385
Housing Counseling Assistance Program	14.169	HC200341002/HC210341006	–	5,571
COVID-19 – Community Development Block Grants	14.228	COVID-19/ CT19A20201211000000001856	–	329,259
Recovery Housing Program	14.U01	B-20-RH-23-0001	–	867,592

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended December 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Grant/ Contract/ Pass-through Identifying Number</u>	<u>Amounts Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
Older Adults Home Modification Grant Program	14.921	MEHMR001321	\$ -	\$ 120,202
Section 811 Project Rental Assistance Program	14.326	ME36DRD1301	-	<u>137,630</u>
Subtotal – U.S. Department of Housing and Urban Development			<u>1,716,152</u>	<u>130,683,244</u>
U.S. Department of Energy:				
Weatherization Assistance for Low-Income Persons	81.042	EE0007924/E0009906/E0009991	2,611,656	2,811,785
U.S. Department of Health and Human Services:				
Low Income Home Energy Assistance	93.568	19B1MELIEA/2001MELIEA/ 2101MELIEA/2201MELIEA/ 2301MELIEA/2201MELIEI/ 2301MELIEE	14,939,791	60,297,153
COVID-19 – Low Income Home Energy Assistance – <i>American Rescue Plan Act</i>	93.568	COVID-19/2101MEE5C6	7,914,717	21,453,288
COVID-19 – Low Income Water Assistance Program	93.499	COVID-19/2101MELWC5	-	410,239
Pass-through from the State of Maine Department of Health and Human Services:				
TANF Cluster:				
Temporary Assistance for Needy Families (TANF) State Programs	93.558	OFIMOU 11/8/17	-	2,418,802
Maine State Opioid Response Program	93.788	6H79TI081734-01	-	<u>219,483</u>
Subtotal – U.S. Department of Health and Human Services			<u>22,854,508</u>	<u>84,798,965</u>
U.S. Department of the Treasury:				
Pass-through from the State of Maine Department of Administrative and Financial Services:				
COVID-19 – Emergency Rental Assistance Program – ERA 1	21.023	COVID-19/OMB 1505-0266	122,756,850	122,923,994
COVID-19 – Emergency Rental Assistance Program – ERA 2	21.023	COVID-19/OMB 1505-0270	81,843,018	82,192,186
COVID-19 – Homeowner Assistance Fund – <i>American Rescue Plan Act</i>	21.026	COVID-19/FAIN: HAF0103/ OMB: 1505-0269	-	4,859

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended December 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Grant/ Contract/ Pass-through Identifying Number</u>	<u>Amounts Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
COVID-19 (Coronavirus State and Local Fiscal Recovery Funds) Housing Navigation Pilot Program – <i>American Rescue Plan Act</i>	21.027	COVID-19/SLFRP0144	\$ –	\$ 173,850
COVID-19 (Coronavirus State and Local Fiscal Recovery Funds) Grants for Homeless Shelters – <i>American Rescue Plan Act</i>	21.027	COVID-19/SLFRP0144	<u>–</u>	<u>10,000,000</u>
Subtotal – U.S. Department of the Treasury			204,599,868	215,294,889
U.S. Department of Homeland Security:				
Pass-through from the State of Maine Department of Defense, Veterans and Emergency Management:				
COVID-19 – Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	COVID-19/FEMA-4522-DR-ME	<u>609,037</u>	<u>17,146,001</u>
Total Expenditures of Federal Awards			<u>\$ 232,391,221</u>	<u>\$ 450,734,884</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

MAINE STATE HOUSING AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2022

1. **Basis of Presentation**

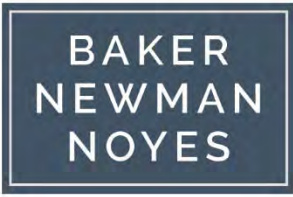
The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Maine State Housing Authority (MaineHousing) under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of MaineHousing, it is not intended to and does not present the financial position, changes in net position, or cash flows of MaineHousing.

2. **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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditures under the COVID-19 Disaster Grants – Public Assistance (Presidentially Declared Disasters) Program are required to be reported when eligible expenditures are incurred by MaineHousing and approved by the Federal Emergency Management Agency. Amounts to subrecipients are determined to be expended when payment is made to the subrecipient after eligible expenditures have been incurred.

3. **Indirect Cost Rate**

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



**INDEPENDENT AUDITORS' 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***

Board of Commissioners
Maine State 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 governmental activities, the business-type activities, and each major fund of Maine State Housing Authority (MaineHousing), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise MaineHousing's basic financial statements, as listed in the table of contents, and have issued our report thereon dated March 29, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered MaineHousing's internal control over financial reporting (internal control) as a basis for designing 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 MaineHousing's internal control. Accordingly, we do not express an opinion on the effectiveness of MaineHousing'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

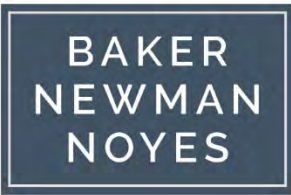
As part of obtaining reasonable assurance about whether MaineHousing's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 MaineHousing'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.

Baker Newman & Noyes LLC

Portland, Maine
March 29, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Commissioners
Maine State Housing Authority

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Maine State Housing Authority's (MaineHousing's) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of MaineHousing's major federal programs for the year ended December 31, 2022. MaineHousing's major federal programs are identified in the summary of Auditors' Results section of the accompanying schedule of findings and questioned costs.

In our opinion, MaineHousing 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 December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of MaineHousing and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of MaineHousing's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to MaineHousing's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on MaineHousing's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about MaineHousing's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding MaineHousing's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of MaineHousing's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 MaineHousing's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of MaineHousing, a component unit of the State of Maine, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise MaineHousing's basic financial statements as listed in the table of contents. We issued our report thereon dated March 29, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to those audited financial statements subsequent to March 29, 2023.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Baker Newman & Noyes LLC

Portland, Maine
September 15, 2023

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2022

Section I – Summary of Auditors’ Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: 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

Federal Awards

Internal control over major federal 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 findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.231	Emergency Solutions Grants Program/ COVID-19 – Emergency Solutions Grant Program
21.023	COVID-19 – Emergency Rental Assistance Program – ERA 1 and ERA 2
21.027	COVID-19 – (Coronavirus State and Local Fiscal Recovery Funds) Housing Navigation Pilot Program – <i>American Rescue Plan Act</i> COVID-19 – (Coronavirus State and Local Fiscal Recovery Funds) Grants for Homeless Shelters – <i>American Rescue Plan Act</i>

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? X yes _____ no

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2022

Section II – Financial Statement Findings

Findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*: None

Section III – Federal Award Findings and Questioned Costs

Findings required to be reported by 2 CFR 200.516(a): None

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended December 31, 2022

II. Financial Statement Findings

Findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*:

<u>Finding No.</u>	<u>Description</u>	<u>Classification</u>	<u>Status</u>
2021-001	Emergency Rental Assistance Program – Reconciliation of Unspent Advances	Significant Deficiency	Resolved
2021-002	Emergency Rental Assistance Program – Reconciliation of ERA Expenditures with Community Action Agencies	Significant Deficiency	Resolved

III. Findings and Questioned Costs for Federal Awards

Findings required to be reported in accordance with 2 CFR 200.516(a):

<u>Finding No.</u>	<u>Description</u>	<u>Classification</u>	<u>Status</u>
2021-001	Emergency Rental Assistance Program – Reconciliation of Unspent Advances	Significant Deficiency	Resolved
2021-002	Emergency Rental Assistance Program – Reconciliation of ERA Expenditures with Community Action Agencies	Significant Deficiency	Resolved
2021-003	Emergency Rental Assistance Program – Subrecipient Monitoring	Significant Deficiency	Resolved

Finance Department Memorandum

To: Board of Commissioners

From: Darren R. Brown

Date: October 10, 2023

Subject: Monthly Financial and Budget Report

FINANCIAL RESULTS

Attached are the Balance Sheets and Statements of Revenues, Expenses, and Changes in Net Assets for the eight-month period ended August 31, 2023.

MaineHousing's programs are accounted for in Fund Groups, based on funding sources. For financial reporting purposes, each Fund Group is a separate and standalone entity. There are seven Fund Groups and the individual Balance Sheets and Statements of Revenues, Expenses and Changes in Net Assets for each are presented in columns on the attachments (pages 1 and 2). The following is a summary of MaineHousing's total combined financial position and operating results for the current year, and a brief explanation for changes between the current and prior year net operating results.

Total combined assets are approximately \$2.48 billion and total combined liabilities approximate \$2.04 billion. Total net assets amount to approximately \$440 million. Total combined revenues approximate \$332.9 million and total expenses amount to approximately \$307.7 million, which results in net operating income of \$25.2 million. For this period in 2022, net operating income was \$5.1 million. Net operating income is \$20.1 million higher in 2023 due primarily to the activities and operating results of the Mortgage Purchase Fund (MPP), MaineHousing's largest fund group.

The MPP has net operating income of approximately \$13.3 million. This is an \$18.4 million increase compared to the net operating loss of \$5.1 million in 2022. The increase is due to a change in the carrying values of non-mortgage investments and higher interest rates. A small paper gain of \$5,000 has been recognized in 2023, which represents an increase of \$9.2 million compared with the paper loss of \$9.2 million recorded in 2022. The change associated with the recording of paper gains and losses is attributed to interest rate changes during the year.

The recording of paper gains and losses is required for accounting purposes. However, because MaineHousing does not actively buy and sell related investments, actual gains and losses will not occur and these amounts are ignored by the rating agencies, bond analysts, and management when assessing profitability.

Excluding the paper gains and losses, the MPP's net operating income is \$13.3 million at the end of August 2023. This is an increase of \$9.2 million compared to \$4.1 million in 2022. This net operating income improvement is due to the higher interest rate environment in 2023, which has increased net interest income by \$8.3 million. Although interest expense on bonds increased \$9.3 million, interest income from mortgages and investments is higher in 2023 by a combined amount of \$17.6 million.

BUDGET RESULTS

Also attached are the budget variance results for the period ended August 31, 2023. These results are summarized and presented on the attachment described below:

OPERATING REVENUES AND EXPENSES BUDGET

MaineHousing has two primary business segments, which consist of mortgage lending activities and the administration of federal and state funded programs. All operating and program administrative costs are paid by either the net interest income from mortgage lending activities, which is the difference between interest income earned from mortgage and non-mortgage investment assets and the interest paid on bonds, or fee income received for the administration of programs.

The Operating Revenues and Expenses Budget, **Attachment A**, presents the revenues available to pay operating and program administrative expenses. It also presents the aggregate operating and program administrative expenses. Total budgeted revenues for 2023 are \$92.1 million and total expenses are budgeted at \$83.5 million. Total actual revenues as of August 31, 2023 amount to \$72.2 million, while total expenses amount to \$57.2 million. For the eight-month period ended August 31, 2023, revenues exceed expenses by approximately \$15 million.

Total revenues are running above budget due primarily to higher income from non-mortgage investments. Income from non-mortgage investments will substantially exceed the budget for the year. Interest rates have increased considerably in 2023 and average yield are higher than projected. Fee income is also above budget due mainly to higher income from the federal Homeowner Assistance Fund (HAF) program.

Total expenses are also running above budget due to higher interest expense on bonds. Interest expense will exceed the budget for the year as a result of the higher rate environment. The operating and other program administration expenses (the first two expense lines) are detailed on **Attachment B** and summarized below:

OPERATING AND OTHER PROGRAM ADMINISTRATIVE EXPENSES

MaineHousing's overhead and operational costs for the year as well as other program administrative expenses, which are costs that are specifically and exclusively related to a particular program, are itemized on **Attachment B**.

Operating expenses are budgeted at approximately \$24.3 million. As of August 31, 2023, approximately \$16.1 million or 66% of the total operating budget has been used. In total, operating expenses are below budget at this point and are projected to be under for the year by 2%. Full-time equivalents are estimated to be under budget by one or two positions. There were a number of position turnovers and internal position changes throughout the year. Some positions were vacant for an extended period due to a tight labor market. Additionally, costs associated with staff and partner trainings and meetings are expected to be below budget.

Total other program administrative expenses are budgeted at \$8.9 million and actual expenses amount to \$5.8 million as of August 31, 2023. Expenses in this areas are running over budget and will exceed the budget for the year due to higher than projected program administrator fees.

Program administrator fees will exceed the budget because of the HAF program that was implementing this year. The work approach for this program was not known at the time the budget was adopted and fees for outsourcing various administrative functions were not included in the budget. As

noted previously, fee income from the HAF program is also above budget and the program provides sufficient income to cover these fees as well as all other program administrative costs.

CAPITAL BUDGET

The Capital Budget, **Attachment C**, presents items that provide an economic benefit to MaineHousing over a period of time. Items are recorded as assets and depreciated over an estimated useful life. The total authorized capital budget for 2023 is \$1.3 million. Expenditures amounted to approximately \$475,000 as of August 31, 2023 and were mainly associated with the acquisition of the new multifamily loan system.

Capital expenditures are expected to remain within the established budget for the year. The acquisition of the new system for the federal LIHEAP and Weatherization program will exceed budget estimates. However, this will be offset by a number of computer software items not being acquired as planned.

MEMBERSHIPS, DUES AND SPONSORSHIPS

In accordance with MaineHousing's Contributions Policy, all payments for memberships, dues and sponsorship are required to be reported to the Commissioners each month as part of the budget variance reports. **Attachment D** presents an itemized listing of the membership, dues, and sponsorship expenses as of August 31, 2023.

MAINE STATE HOUSING AUTHORITY
BALANCE SHEETS
AUGUST 31, 2023
(IN THOUSANDS OF DOLLARS)

	<u>Memorandum Only Combined Totals</u>		<u>Mortgage Purchase Fund Group</u>	<u>Bondholder Reserve Fund</u>	<u>General Fund</u>	<u>HOME Fund</u>	<u>Federal Programs Fund</u>	<u>Other Funds</u>	<u>Maine Energy Housing & Economic Recovery Funds</u>
	<u>2022</u>	<u>2023</u>							
ASSETS:									
Cash, principally time deposits	91,484	81,328	16,465	0	58,587	0	5,797	479	0
Investments	522,774	668,399	581,584	8,247	17,122	27,598	0	4,704	29,144
Accounts receivable - Government	21,442	18,508	0	0	0	2,169	12,099	2,287	1,953
Accrued interest and other assets	9,241	12,520	11,305	21	755	92	188	63	96
Mortgage notes receivable, net	1,484,737	1,663,532	1,595,347	0	6,280	34,838	0	4,567	22,500
Other notes receivable, net	46	0	0	0	0	0	0	0	0
Land, equipment and improvements, net	17,501	17,611	22	0	17,589	0	0	0	0
Other real estate owned	62	29	29	0	0	0	0	0	0
Derivative instrument - interest rate swaps	10,050	18,471	18,471	0	0	0	0	0	0
Net pension asset	217	0	0	0	0	0	0	0	0
Deferred pension expense	1,123	959	509	3	102	0	0	345	0
Deferred amount on debt refundings	2,463	2,116	2,116	0	0	0	0	0	0
Total Assets	2,161,140	2,483,473	2,225,848	8,271	100,435	64,697	18,084	12,445	53,693
LIABILITIES AND NET ASSETS:									
Accrued interest payable	11,635	18,950	18,679	0	0	0	0	0	271
Accounts payable - Federal	327	493	0	0	0	0	493	0	0
Accounts payable & accrued liabilities	6,420	11,486	370	0	10,944	0	172	0	0
Unearned income	50,741	35,920	0	0	0	215	14,630	21,075	0
Net pension liability	0	1,780	945	5	189	0	0	641	0
Deferred pension credit	3,159	798	424	3	84	0	0	287	0
Accumulated increase in fair value of hedging derivatives	10,050	18,471	18,471	0	0	0	0	0	0
Interfund	0	0	3,412	19	34,632	(20,502)	(1,855)	(13,256)	(2,450)
Mortgage bonds and notes payable, net	1,667,382	1,955,452	1,890,509	0	13,839	0	0	0	51,104
Deferred grant income	0	0	0	0	0	0	0	0	0
Deferred loan origination points	14	12	12	0	0	0	0	0	0
Total Liabilities	1,749,728	2,043,362	1,932,822	27	59,688	(20,287)	13,440	8,747	48,925
NET ASSETS:									
Restricted Net Assets	373,521	399,364	293,026	8,244	0	84,984	4,644	3,698	4,768
Unrestricted Net Assets	37,891	40,747	0	0	40,747	0	0	0	0
Total Net Assets	411,412	440,111	293,026	8,244	40,747	84,984	4,644	3,698	4,768
Total Liabilities and Net Assets	2,161,140	2,483,473	2,225,848	8,271	100,435	64,697	18,084	12,445	53,693

MAINE STATE HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED AUGUST 31, 2023
(IN THOUSANDS OF DOLLARS)

	<u>Memorandum Only Combined Totals</u>		<u>Mortgage Purchase Fund Group</u>	<u>Bondholder Reserve Fund</u>	<u>General Fund</u>	<u>HOME Fund</u>	<u>Federal Programs Fund</u>	<u>Other Funds</u>	<u>Maine Energy Housing & Economic Recovery Funds</u>
	<u>2022</u>	<u>2023</u>							
REVENUES:									
Interest from mortgages and notes	39,368	44,021	43,758	0	185	50	0	0	28
Income from investments	3,405	19,073	15,950	264	717	851	15	198	1,078
Net increase (decrease) in the fair value of investments	(9,190)	5	5	0	0	0	0	0	0
Fee income	7,955	10,979	2,101	0	973	0	7,652	253	0
Other revenue	37	284	121	0	24	54	0	0	85
Grant income	224,417	163,548	0	0	0	1,671	82,950	78,927	0
Income from State	23,174	18,412	0	0	0	14,094	0	0	4,318
Federal rent subsidy income	73,176	76,575	0	0	0	0	76,575	0	0
Gain on bond redemption	211	0	0	0	0	0	0	0	0
Total Revenues	362,553	332,897	61,935	264	1,899	16,720	167,192	79,378	5,509
EXPENSES:									
Operating expenses	14,958	16,132	0	0	16,132	0	0	0	0
Other program administrative expenses	4,262	4,597	3,250	0	(3)	0	1,202	148	0
Mortgage servicing fees	1,168	1,249	1,242	0	7	0	0	0	0
Provision for losses on loans	0	9	0	0	0	9	0	0	0
Losses on foreclosed real estate	6	0	0	0	0	0	0	0	0
Interest expense	26,489	35,845	35,167	0	0	0	0	0	678
Grant expense	236,672	172,816	0	0	0	15,788	81,438	75,170	420
Federal rent subsidy expense	73,945	77,011	0	0	0	0	77,011	0	0
Allocated operating costs	0	0	9,013	53	(14,398)	0	5,254	78	0
Total Expenses	357,500	307,659	48,672	53	1,738	15,797	164,905	75,396	1,098
Net Operating Income (Loss)	5,053	25,238	13,263	211	161	923	2,287	3,982	4,411
Transfers between funds, net	0	0	0	0	706	(416)	(2,217)	(27)	1,954
Change in net assets	5,053	25,238	13,263	211	867	507	70	3,955	6,365
Net assets at beginning of year	406,359	414,873	279,763	8,033	39,880	84,477	4,574	(257)	(1,597)
Net assets at end of period	411,412	440,111	293,026	8,244	40,747	84,984	4,644	3,698	4,768

**MAINE STATE HOUSING AUTHORITY
OPERATING REVENUES AND EXPENSES BUDGET VARIANCE REPORT
FOR THE PERIOD ENDED AUGUST 31, 2023**

(IN THOUSANDS OF DOLLARS)

	Mortgage Lending Activities Actual	Federal & Other Program Administration Actual	Total Combined Actual	Total Annual Budget	Total Under/(Over)	% Variance
REVENUES:						
Interest from mortgages and notes	43,943	0	43,943	66,400	22,457	34%
Income from investments	16,931	213	17,144	11,390	(5,754)	(51%)
Fee income	3,074	7,905	10,979	14,153	3,174	22%
Other revenue	145	0	145	160	15	9%
Total Revenues	64,093	8,118	72,211	92,103	19,892	22%
EXPENSES:						
Operating expenses	10,800	5,332	16,132	24,294	8,162	34%
Other program administrative expenses	4,496	1,350	5,846	8,864	3,018	34%
Interest expense	35,167	0	35,167	50,325	15,158	30%
Total Expenses	50,463	6,682	57,145	83,483	26,338	32%
Excess Revenues Over Expenses	13,630	1,436	15,066	8,620	(6,446)	(75%)

**MAINE STATE HOUSING AUTHORITY
OPERATING AND OTHER PROGRAM ADMINISTRATIVE EXPENSES
FOR THE PERIOD ENDED AUGUST 31, 2023**

ATTACHMENT B

	Total Annual Budget	Total Year to Date Actual	Budget Available	Percentage of Budget Available
Operating Expenses				
Salaries	13,517,480	9,292,836	4,224,644	31%
Payroll Taxes	994,335	696,599	297,736	30%
Retirement	1,273,244	858,739	414,505	33%
Medical and Life Insurance	3,116,854	1,953,193	1,163,661	37%
Other Fringe Benefits	10,000	4,066	5,934	59%
Office Supplies	51,365	40,126	11,239	22%
Printing	75,560	43,425	32,135	43%
Membership and Dues	63,811	54,050	9,761	15%
Subscriptions	32,077	13,697	18,380	57%
Sponsorships	14,600	7,500	7,100	49%
Staff Educ/Train/Conf	180,131	57,113	123,018	68%
Travel/Meals - Staff Educ/Train/Conf	197,859	70,360	127,499	64%
Partner/Client Train/Meetings	138,510	17,375	121,135	87%
Travel/Meals - Partner/Client Training	112,546	28,748	83,798	74%
Staff Events	28,580	11,032	17,548	61%
Meals - Staff Events	33,130	17,486	15,644	47%
Leased Vehicles	177,773	109,636	68,137	38%
Computer Supplies	39,812	21,712	18,100	45%
Computer License SAAS	254,048	218,143	35,905	14%
Rent-Other	39,430	23,831	15,599	40%
Computer Maintenance	789,721	440,754	348,967	44%
Depreciation	1,200,000	771,621	428,379	36%
Telephone	125,584	84,672	40,912	33%
Employment Advertising	1,000	8,737	(7,737)	(774%)
Postage and Shipping	141,022	96,866	44,156	31%
Insurance	105,748	76,785	28,963	27%
Recording Fees	1,000	425	576	58%
Payroll Services	49,418	33,758	15,660	32%
Audit Services	172,000	114,000	58,000	34%
Property Expenses	522,435	344,014	178,421	34%
Professional Services	376,108	315,124	60,984	16%
Building Interest Expense	458,669	305,886	152,783	33%
Total Operating Expenses	24,293,851	16,132,309	8,161,542	34%
Other Program Administrative Expenses				
Loan foreclosure expenses	200,000	16,469	183,531	92%
REO expenses	50,000	3,728	46,272	93%
Mortgage Servicing fees	1,850,000	1,248,979	601,021	32%
Provision for losses on loans & REOs	125,000	0	125,000	100%
Loan Origination expenses	3,230,000	1,543,257	1,686,743	52%
Bond Issuance Costs	900,000	476,658	423,342	47%
Trustee/Bank fees	170,000	115,325	54,675	32%
Program advertising/printing	343,450	280,424	63,026	18%
Bond and mortgagee insurance	19,550	21,142	(1,592)	(8%)
Variable rate bond remarket/liquidity facilities	710,000	457,366	252,634	36%
Cash flow/arbitrage/swap consultants/legal	675,000	469,342	205,658	30%
Homebuyer education	135,000	55,200	79,800	59%
Program administrator fees	455,610	1,158,179	(702,569)	(154%)
Total Other Program Administration Expenses	8,863,610	5,846,069	3,017,541	34%

**MAINE STATE HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE PERIOD ENDED AUGUST 31, 2023**

ATTACHMENT C

Description	2023 Budget	2023 Actual	Budget Available	% Expended
Computer Hardware:				
Network backup hardware - Data Domain	15,000	0	15,000	
Laptop replacements	55,000	19,211	35,789	
Total computer hardware	<u>70,000</u>	<u>19,211</u>	<u>50,789</u>	<u>27%</u>
Computer Software:				
Enterprise multi-family housing system	240,679	255,797	(15,118)	
Amplifund grant management software	45,600	45,600	-	
Mobile device management software	8,000	0	8,000	
Website redesign	7,000	0	7,000	
Single Family loan servicing system modifications	10,000	0	10,000	
Single Family lender & loan tracking systems mods	10,000	0	10,000	
Hancock systems mods (LIHEAP & Wx Programs)	100,442	0	100,442	
Salesforce software upgrades	120,000	0	120,000	
New LIHEAP & Wx system	575,000	78,712	496,288	
Total computer software	<u>1,116,721</u>	<u>380,108</u>	<u>736,613</u>	<u>34%</u>
Office Building:				
Additional workstations & furnitures	24,460	24,451	9	
Patio repair/resurface	46,000	39,539	6,461	
Employee stairwell repair	0	6,290	(6,290)	
Audio Visual equipment upgrade	0	5,437	(5,437)	
	<u>70,460</u>	<u>75,717</u>	<u>(5,257)</u>	<u>107%</u>
Total	<u><u>1,257,181</u></u>	<u><u>475,036</u></u>	<u><u>782,145</u></u>	<u><u>38%</u></u>

**MAINE STATE HOUSING AUTHORITY
MEMBERSHIPS, DUES, AND SPONSORSHIPS
FOR THE PERIOD ENDED AUGUST 31, 2023**

Description	Amount
Memberships and Dues	
American College of Mortgage Attorneys - employee dues	225
American Payroll Association - employee annual membership	298
Association of Certified Fraud Examiners - (2) employee annual membership	470
Association of Government Accountants - (2) employee annual memberships	220
Construction Specifications Institute - employee annual membership	375
Council of State Community Development Agencies - annual membership	1,500
Diversity Hiring Coalition - annual membership	300
Information Systems Audit and Control Association - employee annual membership	45
Institute of Internal Auditors - employee annual membership	190
Kennebec Board of Realtors - employee dues	196
Maine Association of Mortgage Professional - employee annual membership	395
Maine Bankers Association - annual affiliate membership	950
Maine Indoor Air Quality Council - annual membership	500
Maine Public Relations Council - employee annual membership	75
Maine Real Estate & Development Association - annual membership	1,200
Maine Real Estate Management Association - annual membership	125
Maine State Bar Association - (1) employee annual memberships	370
Board of Overseers of the Bar - (6) employee annual registration	1,485
National Affordable Housing Management Association - affiliate membership	1,300
National Association for State Community Services Programs - annual membership	1,627
National Council of State Housing Agencies - annual membership	32,242
National Energy & Utility Affordability Coalition - annual membership	500
National Energy Assistance Directors' Association - annual LIHWAA membership	1,088
National Energy Assistance Directors' Association - annual membership	6,817
National Leased Housing Association - annual membership	660
NCHM Accounting Office Employee Certification dues	125
Notary Public - (2) employee renewal fees	100
Project management Institute - employee membership	164
Society for Human Resource Management - employee annual membership	244
Urban Land Institute - employee annual membership	264
Total	<u>\$ 54,050</u>
Sponsorships	
Maine Resident Service Coordinator Association - annual sponsor	2,500
Growsmart Maine - annual conference sponsor (2022)	2,000
New England Resident Service Coordinator - conference sponsor	3,000
Total	<u>\$ 7,500</u>

Finance Department Memorandum

To: Board of Commissioners
From: Darren Brown
Date: October 5, 2023
Subject: Monthly Delinquencies Report

MULTI-FAMILY DELINQUENCIES

The Multi-Family portfolio totals \$873 million with 1,310 loans as of September 30, 2023. There are three delinquent loans, as shown in *Exhibit 1*. The Multi-Family delinquency rate is benchmarked against MaineHousing's historical rates, as shown in *Exhibit 2*.

SINGLE-FAMILY DELINQUENCIES

The Single-Family portfolio totals \$991 million with 9,748 loans as of August 31, 2023. The over 60-day delinquencies increased from 2.41% to 2.50%, and the in-foreclosures increased from 0.46% to 0.48%. The over 60-day delinquencies amount to \$25 million, with approximately \$4.7 million representing accounts in foreclosure. The over 60-day and in-foreclosure historic rates are shown in *Exhibit 4*. MaineHousing's overall delinquency rate by loan dollars is 2.50%; and the overall delinquency rate by loan count is 2.61%. As reflected in *Exhibit 5*, the overall delinquency rate by loan count is below the delinquency rate for all Maine Loans.

Servicer Delinquencies – As of August 2023, Bank of America (BOA) had the highest overall delinquency rate of 11.62%, with an in-foreclosure rate of 5.56%. BOA no longer originates loans for MaineHousing and they are servicing an old portfolio of loans. The average age of the loans in their portfolio is 16 years. There have been no new loans added to this portfolio since 2011 and the high delinquency rate is attributed mainly the decreasing portfolio balance and its small size.

Delinquencies for our largest servicer, Mortgage Servicing Solutions, increased from 2.83% to 2.98%, while the in-foreclosure rate increased from 0.51% to 0.53%. Salem Five Mortgage Corp. portfolio had a rate of 0.00%, which was the lowest rate for the month. Delinquency rates for each servicer are shown in *Exhibit 3*.

Delinquencies by Insurance Type – In August 2023, FHA insured loans had the highest delinquency rate by total insurance type of 4.22%, with in-foreclosures at 0.50%. When compared to the total loan portfolio, RD insured loans had the highest delinquency rate of 1.40%, with in-foreclosures at 0.29%. Delinquencies by insurance type and the portfolio as a whole are shown in *Exhibit 6*.

FHA insured loans comprise 18% of the Single-Family portfolio and 30% of delinquencies, while RD insured loans comprise 56% of the portfolio and represent 56% of all delinquent loans. The current composition of the Single-Family portfolio by insurance type, along with the percentage of delinquencies by insurance type, is shown in *Exhibit 7*.

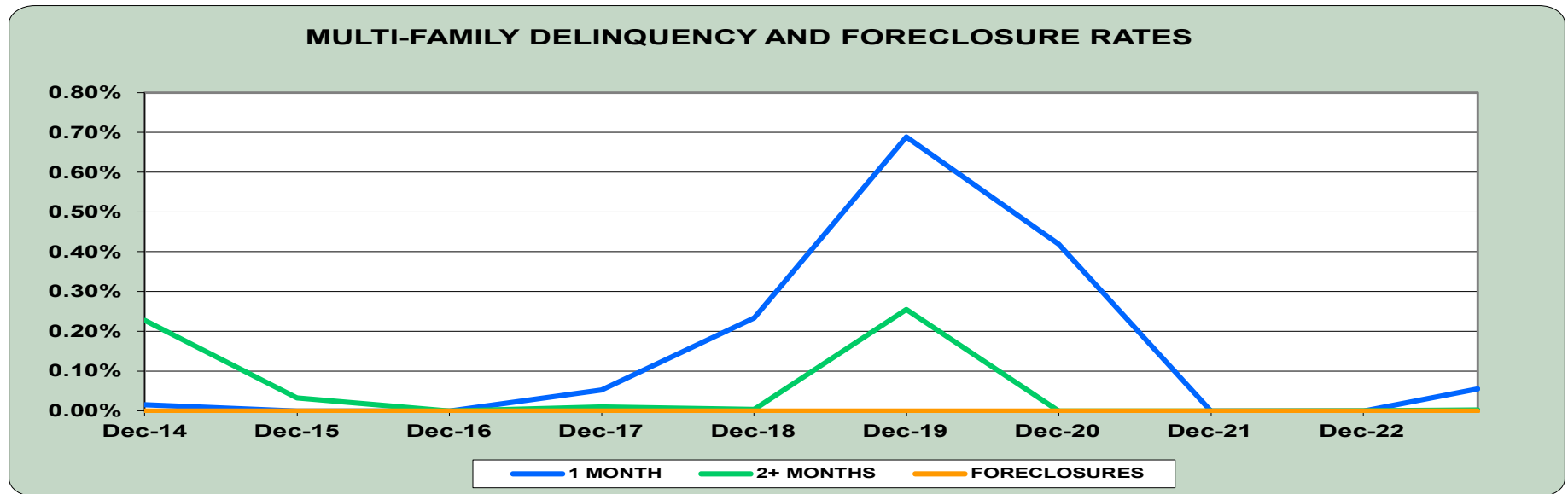
Foreclosure Prevention Activities – *Exhibit 8* summarizes our foreclosure prevention activities, as well as the number of completed foreclosures. As of the end of month August 2023, we have assisted 611 borrowers with various foreclosure prevention options. From January through August 2023, fifty-seven HAF reinstatements have occurred.

Multi-Family Delinquent Loans

MAINE STATE HOUSING AUTHORITY MULTI-FAMILY DELINQUENCIES 9/30/2023								
Section 8					ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS
AVIGNON APARTMENTS	2,024.97	08/01/23	BIDDEFORD	COMMONS HOUSING CORP	06/07/19	401,647.00	0.00	0.00
STRAWBERRY BLUFF	1,010.84	08/01/23	SOUTH PARIS	BAHRE, ROBERT P	06/09/99	80,742.00	0.00	0.00
						<u>482,389.00</u>	<u>0.00</u>	<u>0.00</u>
Rental Housing					ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS
NONE						0.00	0.00	0.00
						<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Supportive Housing & Other					ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS
OHIO ST, 112	820.68	05/01/23	BANGOR	PENOBSCOT AREA HSG DEV CORP	10/01/09	0.00	0.00	18,843.00
						<u>0.00</u>	<u>0.00</u>	<u>18,843.00</u>
Grand Total						<u>482,389.00</u>	<u>0.00</u>	<u>18,843.00</u>
% of Portfolio Delq 60+ days	0.00%							
Total Number of Loans	1,310							



Multi-Family Delinquency & Foreclosure Trends



	OUTSTANDING		1 MONTH		2+ MONTHS		FORECLOSURES	
	PRINCIPAL	DOLLARS	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Sep-23	\$ 872,641,683	\$ 482,389		0.06%	\$ 18,843	0.00%	\$ -	0.00%
Dec-22	\$ 796,448,381	\$ -		0.00%	\$ 4,553	0.00%	\$ -	0.00%
Dec-21	\$ 696,004,882	\$ -		0.00%	\$ -	0.00%	\$ -	0.00%
Dec-20	\$ 666,678,177	\$ 2,791,073		0.42%	\$ -	0.00%	\$ -	0.00%
Dec-19	\$ 635,961,774	\$ 4,379,009	\$ 1,620,600	0.69%	\$ 1,620,600	0.25%	\$ -	0.00%
Dec-18	\$ 630,936,475	\$ 1,473,376	\$ 20,600	0.23%	\$ 20,600	0.00%	\$ -	0.00%
Dec-17	\$ 608,939,257	\$ 319,836	\$ 60,624	0.05%	\$ 60,624	0.01%	\$ -	0.00%
Dec-16	\$ 579,916,852	\$ -		0.00%	\$ -	0.00%	\$ -	0.00%
Dec-15	\$ 573,932,384	\$ -	\$ 185,320	0.00%	\$ 185,320	0.03%	\$ -	0.00%
Dec-14	\$ 513,937,525	\$ 77,568	\$ 1,169,620	0.02%	\$ 1,169,620	0.23%	\$ -	0.00%



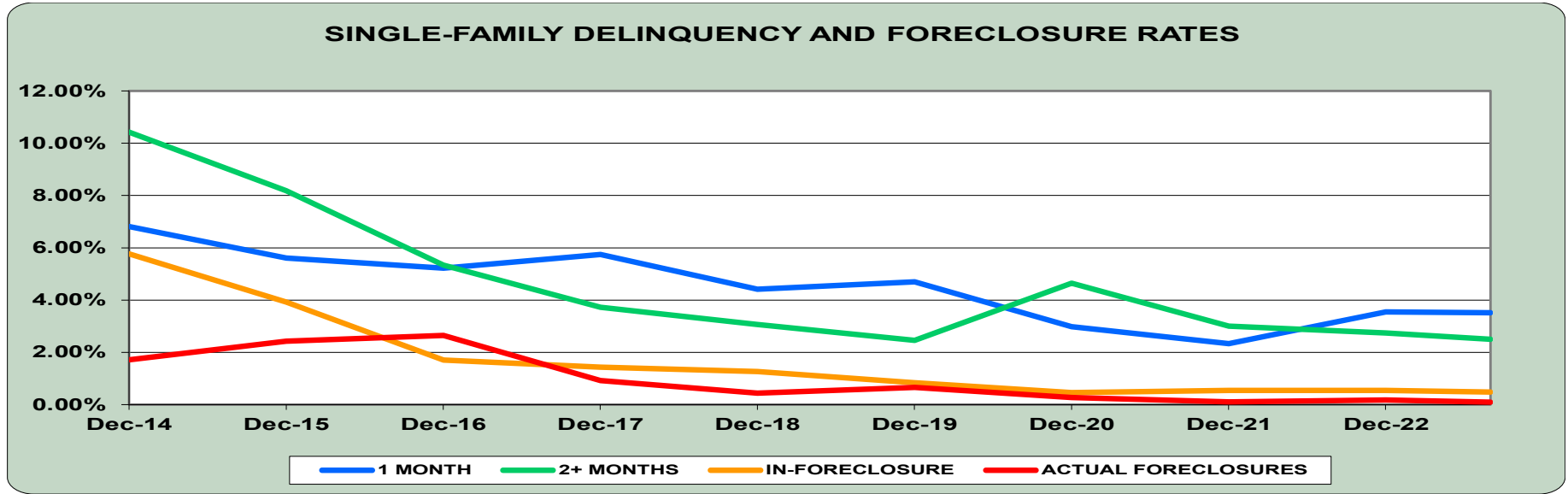
Single-Family Delinquent Loans

Maine State Housing Authority Single-Family Delinquencies by Servicer 8/31/2023

SERVICER	% OF PORTFOLIO	% of Portfolio Delq 60 + days	OUTSTANDING PRINCIPAL	----- 1 MONTH	DELINQUENT 2 MONTHS	----- 3+ MONTHS	IN- FORECLOSURE
MORTGAGE SERVICING SOLUTIONS	67.14%	2.98%	665,155,372.45	26,543,323.77	7,304,342.29	8,961,852.94	3,555,478.09
BANGOR SAVINGS BANK	11.47%	0.88%	113,651,866.74	2,367,909.76	436,357.42	446,843.50	118,481.37
CAMDEN NATIONAL BANK UK	8.18%	1.19%	81,035,559.95	2,356,988.48	297,069.26	584,573.98	84,895.26
MACHIAS SAVINGS BANK	6.86%	3.14%	67,980,419.37	1,702,249.57	798,441.76	680,846.60	656,301.23
BANGOR SAVINGS BANK QS	5.76%	0.40%	57,080,080.69	1,300,619.82	0.00	228,193.49	0.00
BANK OF AMERICA NA	0.55%	11.62%	5,450,180.79	559,903.28	67,204.52	262,641.10	303,234.00
SALEM FIVE MORTGAGE CORP	0.03%	0.00%	329,591.09	0.00	0.00	0.00	0.00
TOTAL	100.00%	2.50%	990,683,071.08	34,830,994.68	8,903,415.25	11,164,951.61	4,718,389.95



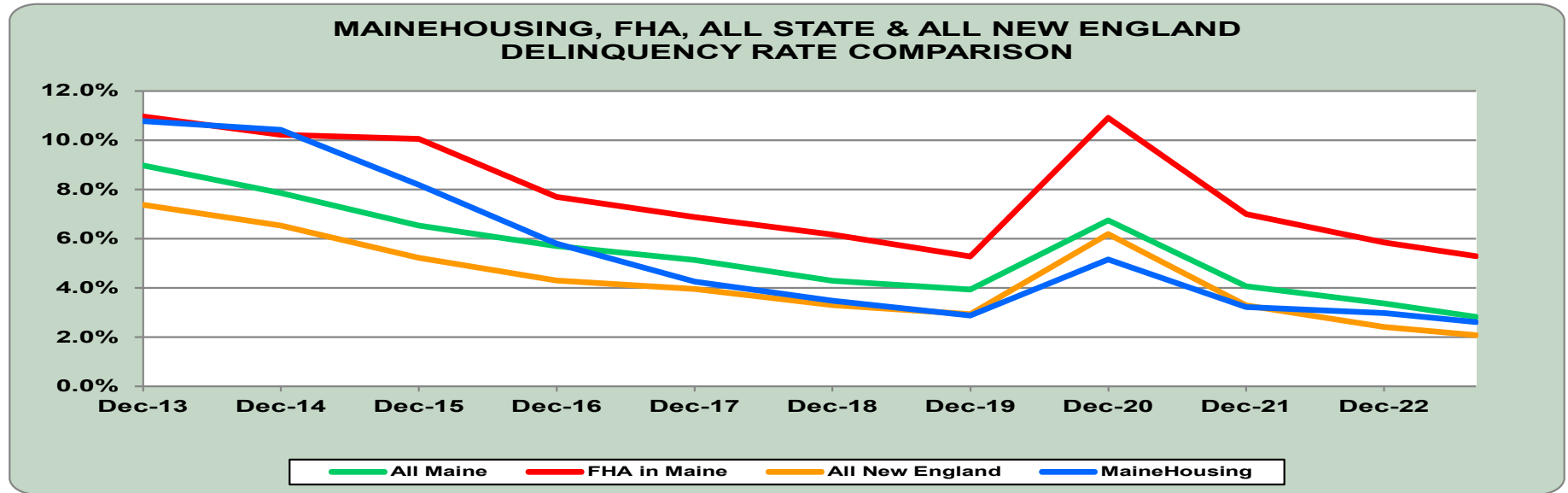
Single-Family Delinquency & Foreclosure Trends



	OUTSTANDING	1 MONTH		2+ MONTHS		IN-FORECLOSURE		ACTUAL FORECLOSURES	
	PRINCIPAL	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Aug-23	\$ 990,683,071	\$ 34,830,995	3.52%	\$ 24,786,757	2.50%	\$ 4,718,390	0.48%	\$ 916,828	0.09%
Dec-22	\$ 958,984,521	\$ 33,996,366	3.55%	\$ 26,378,301	2.75%	\$ 5,183,906	0.54%	\$ 1,733,447	0.18%
Dec-21	\$ 887,303,920	\$ 20,685,547	2.33%	\$ 26,645,647	3.00%	\$ 4,806,968	0.54%	\$ 941,490	0.11%
Dec-20	\$ 960,761,414	\$ 28,645,024	2.98%	\$ 44,603,599	4.64%	\$ 4,471,656	0.47%	\$ 2,617,001	0.27%
Dec-19	\$ 967,171,381	\$ 45,399,415	4.69%	\$ 23,774,547	2.46%	\$ 8,037,512	0.83%	\$ 6,357,994	0.66%
Dec-18	\$ 916,608,577	\$ 40,526,473	4.42%	\$ 28,155,105	3.07%	\$ 11,647,401	1.27%	\$ 4,056,247	0.44%
Dec-17	\$ 844,497,676	\$ 48,457,930	5.74%	\$ 31,454,643	3.72%	\$ 12,099,518	1.43%	\$ 7,847,858	0.93%
Dec-16	\$ 799,557,471	\$ 41,780,468	5.23%	\$ 42,682,410	5.34%	\$ 13,625,991	1.70%	\$ 21,142,137	2.64%
Dec-15	\$ 790,409,905	\$ 44,303,365	5.61%	\$ 64,656,769	8.18%	\$ 31,066,182	3.93%	\$ 20,797,314	2.43%
Dec-14	\$ 810,139,060	\$ 55,171,703	6.81%	\$ 84,385,397	10.42%	\$ 46,711,687	5.77%	\$ 13,904,155	1.72%



Single-Family Delinquency Comparison Trends



MAINEHOUSING LOAN COUNT COMPARISON

	<u>Loan Count</u>	<u>2 Months</u>	<u>3+ Months</u>	<u>In-Foreclosure</u>	<u>Totals</u>
All State*	121,257	0.49%	1.19%	1.14%	2.82%
FHA for State*	16,621	1.32%	2.50%	1.47%	5.29%
All New England*	1,703,736	0.52%	1.00%	0.56%	2.08%
MaineHousing**	9,748	0.98%	1.06%	0.56%	2.61%

*This information is obtained from MBA's National Delinquency Survey for the second quarter of 2023.

**MaineHousing's overall delinquency rate based on loan dollars is 2.50%, whereas rates in this exhibit are based on loan count.



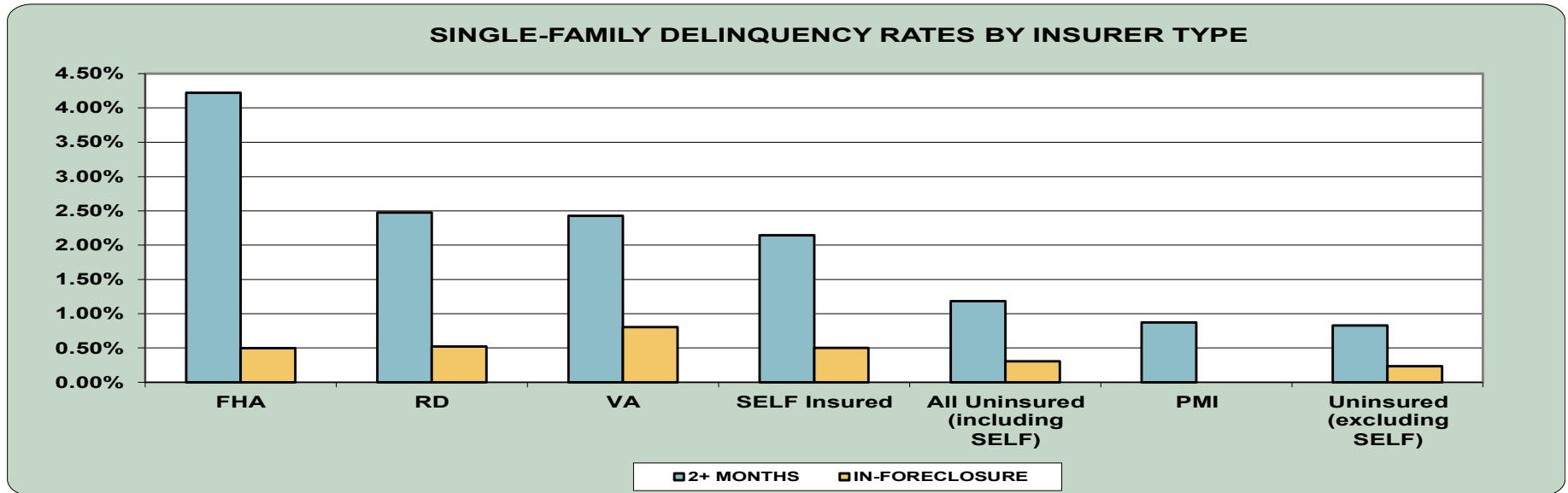
Single-Family Delinquencies by Mortgage Insurer

As A Percent of Total Insurance Type
8/31/2023

TYPE	2+ MONTHS	IN-FORECLOSURE
FHA	4.22%	0.50%
RD	2.48%	0.52%
VA	2.43%	0.81%
SELF Insured	2.14%	0.50%
All Uninsured (including SELF)	1.18%	0.31%
PMI	0.87%	0.00%
Uninsured (excluding SELF)	0.83%	0.24%

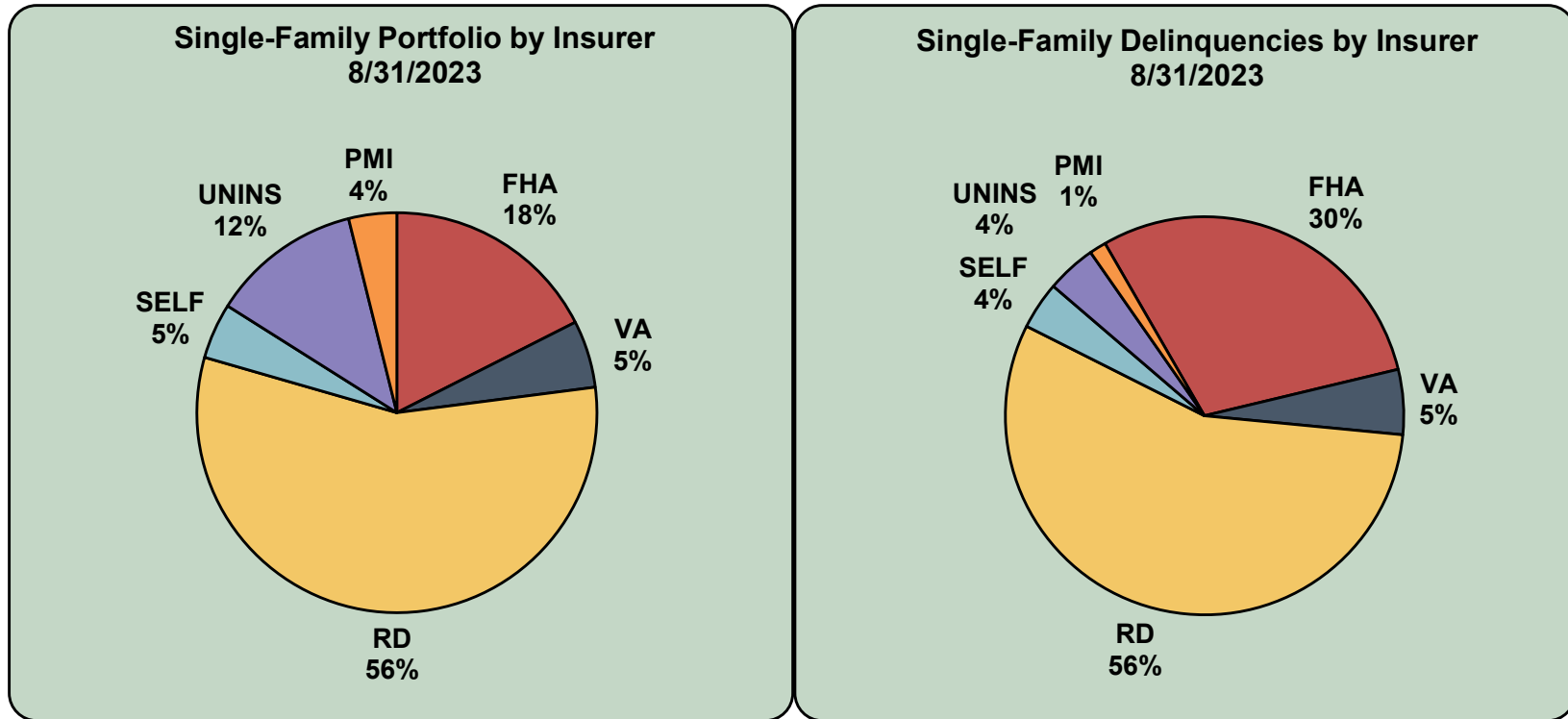
As A Percent of Total Loan Portfolio
8/31/2023

TYPE	2+ MONTHS	IN-FORECLOSURE
RD	1.40%	0.29%
FHA	0.74%	0.09%
All Uninsured (including SELF)	0.20%	0.05%
VA	0.13%	0.04%
Uninsured (excluding SELF)	0.10%	0.03%
SELF Insured	0.10%	0.02%
PMI	0.03%	0.00%

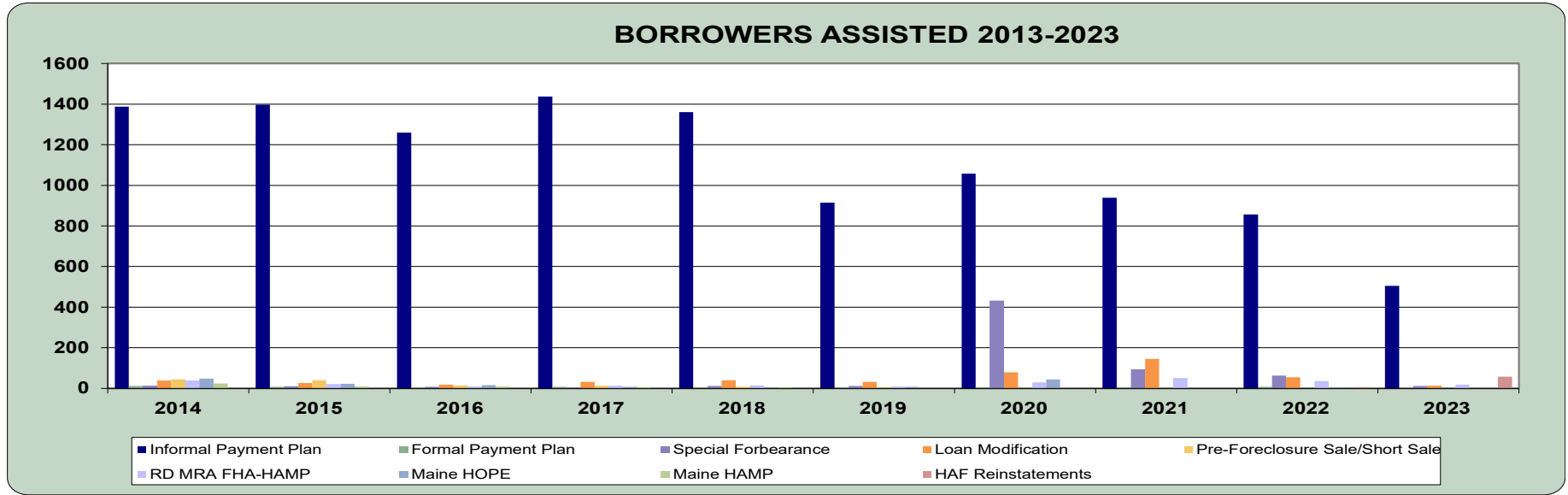


Single-Family Delinquencies by Mortgage Insurer

The following charts show the composition of MaineHousing loans by mortgage insurer. Self insured loans are mainly mobile homes. Uninsured loans are those not needing mortgage insurance (i.e. for loans under 80% property value). The following charts are in dollar amounts.



Single-Family Foreclosure Prevention Activities



Number of Borrowers Approved for Assistance

	Informal Payment Plan	Formal Payment Plan	Special Forbearance	Loan Modification	Pre-Foreclosure Sale/Short Sale	RD MRA FHA-HAMP	Maine HOPE	Maine HAMP	HAF Reinstatements	Total Workouts
Aug-23	505	2	12	14	0	19	1	1	57	611
Dec-22	857	8	63	54	0	35	4	0	7	1028
Dec-21	939	5	94	146	2	50	2	0	0	1238
Dec-20	1058	5	432	79	3	29	44	2	0	1652
Dec-19	914	3	12	32	4	10	8	0	0	983
Dec-18	1361	4	12	39	8	15	3	6	0	1448
Dec-17	1437	8	4	31	14	14	8	7	0	1523
Dec-16	1259	6	8	19	15	10	16	9	0	1342
Dec-15	1397	8	11	26	40	21	22	10	0	1535
Dec-14	1388	12	13	38	44	38	48	24	0	1605

Actual Foreclosures

	Number of Foreclosures	Number of Loans in Portfolio	Percentage of Portfolio
Aug-23	14	9,748	0.14%
Dec-22	21	9,739	0.22%
Dec-21	14	9,750	0.14%
Dec-20	38	10,668	0.36%
Dec-19	86	10,904	0.79%
Dec-18	57	10,673	0.53%
Dec-17	97	10,332	0.94%
Dec-16	258	10,097	2.56%
Dec-15	233	10,258	2.27%
Dec-14	162	10,526	1.54%



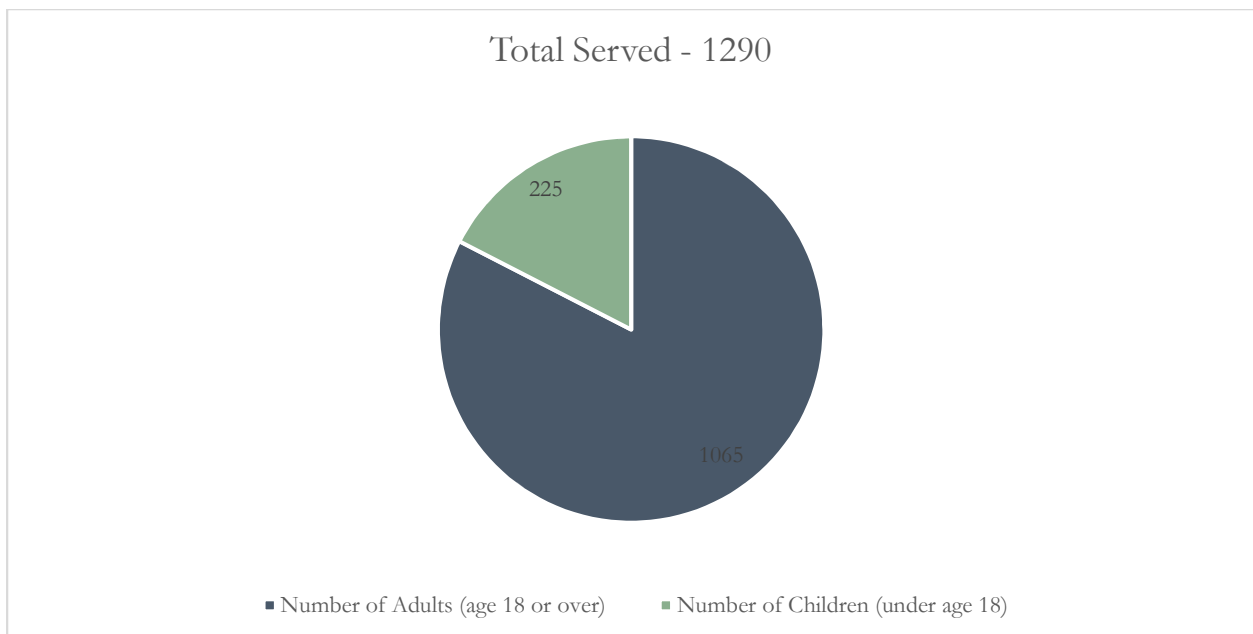
Homeless Initiatives Department Memorandum

To: Board of Commissioners
From: Kelly Watson, Director of Homeless Initiatives
Date: October 17, 2023
Subject: Homeless Initiatives Report

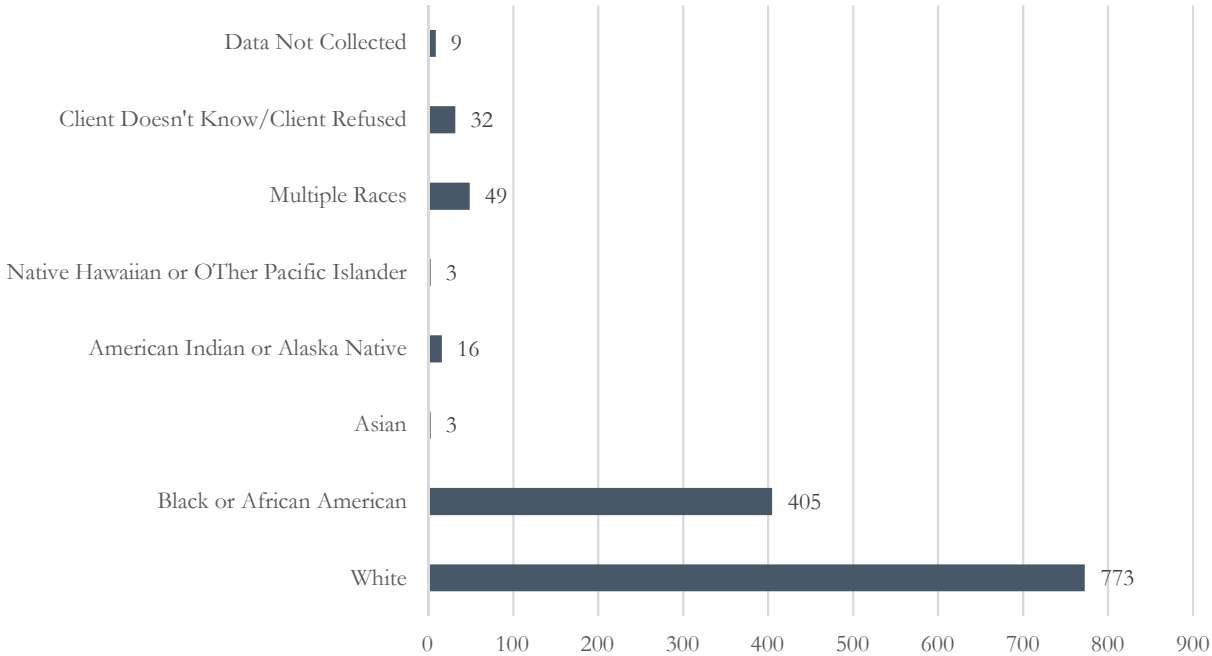
Homeless Data – September 2023

The following are the monthly statistics for September:

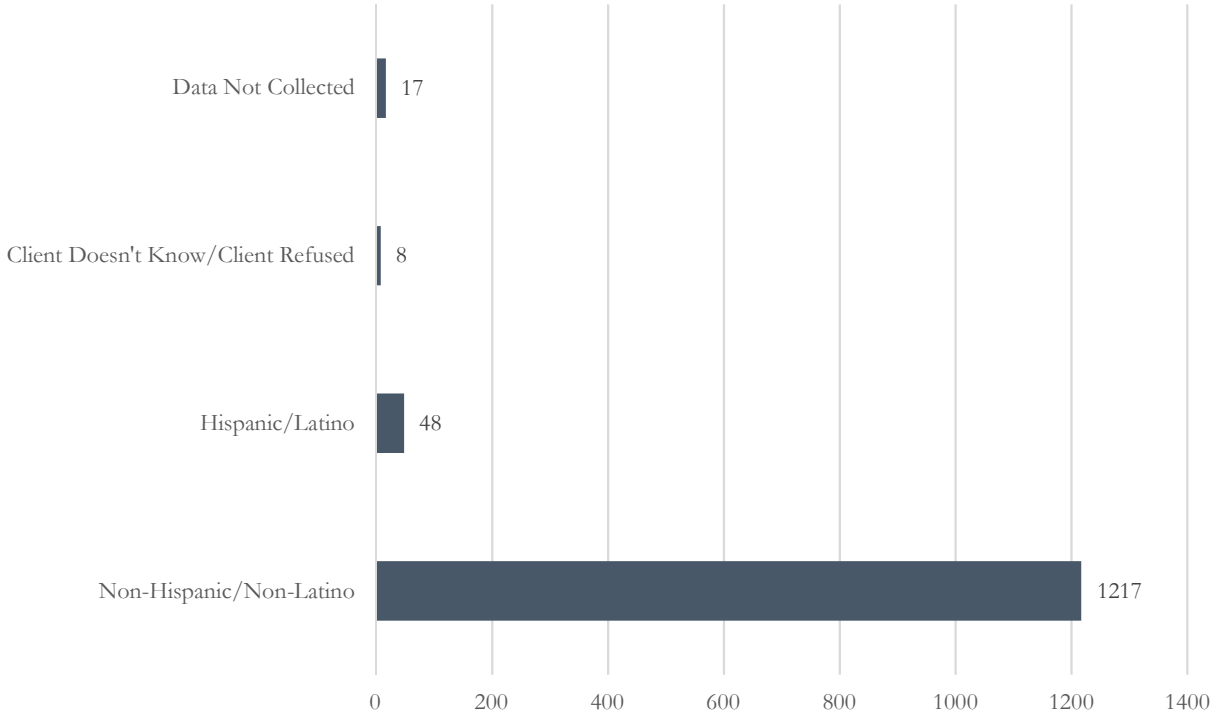
1. Total number of people served (1290) increased by 15 individuals. We have seen the number of unsheltered individuals continue to increase in many areas of the state. As the weather cools, we may see more individuals seeking shelter. This number also does not include many of the Asylum Seekers in Portland as well as those served in hotels through GA.
2. Racial equity – the percentage of people of color served increased 3% from 35.1 in August to 38.1 in September. The number for those who identify as Hispanic/Latino decreased from 54 to 48 individuals.
3. The number of Exits to Permanent Housing last month stayed fairly steady at 58 permanent exits in August and 57 in September, with more people exiting to temporary destinations. The total exits from shelter to any location was down by 20 from the previous month.



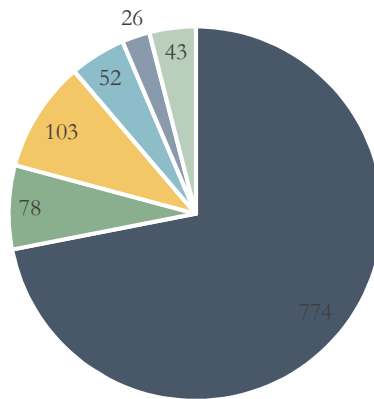
Number of People Served by Race



Number People Served by Ethnicity

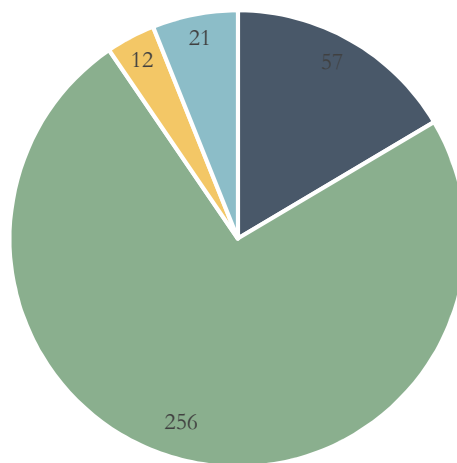


Residence of Clients Prior to Entry



- Homeless Situations
- Institutional Settings
- Staying or living in a friend's room, apartment or house
- Staying or living in a family member's room, apartment or house
- Hotel or motel paid for without ES voucher
- Other Locations

Residence of Clients after Entry



- Permanent Destinations
- Temporary Destinations
- Institutional Settings
- Other Destinations

Overnight Winter Warming Shelter Funding

An RFP for Winter Overnight Warming Shelters was released on September 15th with a due date of October 13th. Review of proposals is underway. The program will provide funding for overnight warming shelters across the state from November 15, 2023 – April 30, 2023.

Service Hub Implementation – Built for Zero Initiative

All of the Hub Coordinators attended Community Solution’s Learning Session in Washington D.C. on September 20 – 22nd. It was a great experience and opportunity, and they came back with ideas and energy for engaging their local hub improvement teams. Many created short term aims and goals to support the necessary work of reaching quality data, as well as ways to support the state goal of reaching functional zero for veterans by 2025 and chronic homelessness by 2026.

Coordinated Entry is allowing for broader data collection across our system. For example, Hub 4 - Androscoggin, has consistently been an area of the state which we have not had much data contribution due to the lack of funded shelters. This hub is now growing a by name list each week through a collaboration with Rumford Group Homes and Lewiston Housing Authority. These providers are connecting people who frequent the Trinity Day Center with coordinated entry by getting assessments completed as well as connecting participants to housing navigation through the Housing Navigation Pilot Program position at LHA. This is a wonderful example of the community working together.

MaineHousing staff, the chair of the Statewide Homeless Council, and Hub Coordinators from Hub 1 – York, and Hub 6 – Central, presented on the Homeless Response System at the Maine Affordable Housing Conference on October 4th. This provided an opportunity to highlight the work of Hub Coordinators and to share local goals that the hubs are working toward. Overall, the presentation was well received and allowed for a wider audience to hear about the new system and approach.

Homeownership Department Memorandum

To: MaineHousing Board of Commissioners

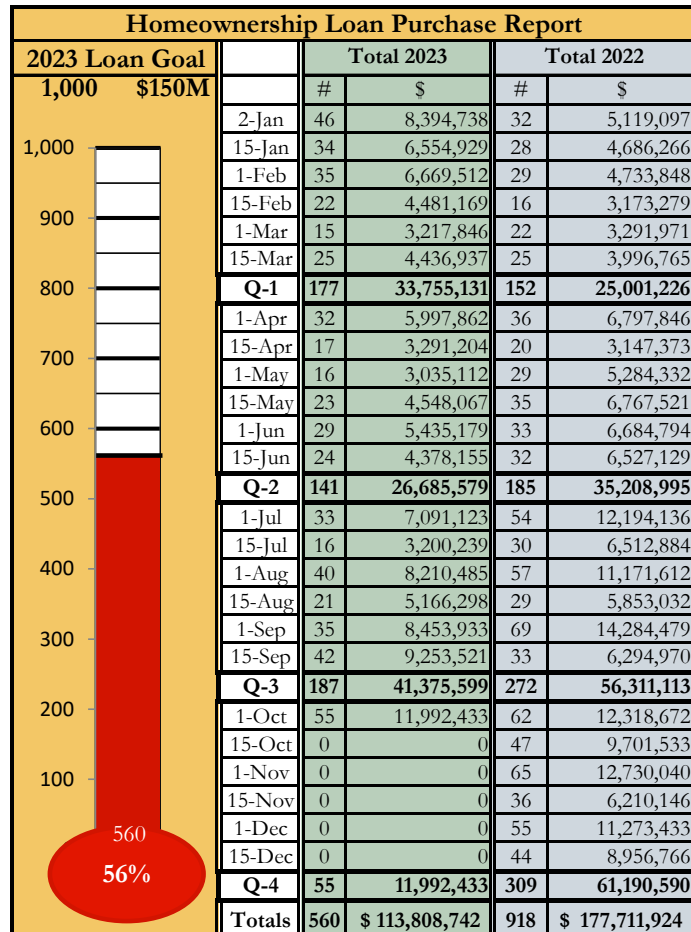
From: Adam S. Krea, Senior Director of Finance and Lending

Date: October 16, 2023

Subject: Monthly Report – Homeownership Department

PRODUCTION UPDATE

Following is a snapshot of loans purchased and reserved to date in 2023 as compared to 2022.



Monthly Loan Reservations: 10/02/23	
#	\$ Volume
98	\$ 21,650,491

Loan Pipeline as of: 10/02/23	
#	\$ Volume
352	\$ 74,572,500

Loan Reservation Comparison					
September 2022		September 2023		2022 vs 2023	
#	\$ Volume	#	\$ Volume	#	\$ Volume
354	\$69,745,932	352	\$ 74,572,500	-1%	7%

Loan Production and Market Status

In September, a total of 77 loans were purchased for \$17.7 million, which is our highest dollar amount in a single month so far in 2023. We continued to have a steady stream of new loan reservations over the past several weeks, which represents a total of over \$74 million in pending loan volume.

DEMAND FOR MAINE HOMES REMAINS STRONG IN AUGUST

The lack of available supply of single-family homes continues to be the biggest challenge for buyers in Maine. Maine Listings shows an increase of 9.41% in home values and an 18.77% decline in the volume of homes sold in August 2023 compared to August 2022. The Maine Association of REALTORS® reports that 1,510 homes were sold across Maine's 16 counties last month. The median sales price was \$372,000, which indicates that half of the homes were sold for more and half sold for less.

“During August, 1,510 single family homes were sold in Maine, a sales volume that was 13 percent above July 2023, although down nearly 19 percent from a year ago,” says Carmen McPhail, 2023 President of the Maine Association of REALTORS® and Associate Broker at family-owned United Country Lifestyle Properties of Maine with offices in Lincoln, Bangor, and Lubec. “Active buyers remain in the market, creating competition for move-in ready, attractively priced homes.”

“As demand continues to outpace supply, the gap between new and outstanding mortgage interest rates is likely to keep the for-sale inventory constrained,” adds McPhail.

Nationally sales declined 15.3 % in August compared to August 2022. Prices increased 3.7% to a national median sales price of \$413,500 comparing August 2023 to August 2022.

PROGRAM HIGHLIGHTS

Kennebec Valley Board of Realtors Trade Show

The Kennebec Valley Board of Realtors Trade Show and Annual Meeting was held on September 21st at the Calumet Club in Augusta. MaineHousing was represented by Jessica Gurney, Outreach and Education Coordinator. The event was well attended with over 25 affiliates taking part and many local Realtors attending. Many attendees were seeking information about the First Generation Program and the education requirements to receive the \$10,000 grant. The new printed materials promoting the program were popular with attendees. Hannah McMullen, Maine Association of REALTORS'® in-house Legal and Government Affairs Counsel, gave an update on government affairs. Mike McCray, Advanced Inspections, was awarded “2023 Affiliate of the Year”. Jenny Greely, Realtor with Coldwell Banker Plourde, won the raffle item from MaineHousing.



Jenny Greeley is shown with the L.L. Bean Gift Card.



**Congratulations to Mike McCray
Advanced Inspections
2023 Affiliate of the Year**

Human Resources and Facilities Department Memorandum

To: Board of Commissioners
From: Jane Whitley, Director of Human Resources & Facilities
Date: October 2023
Subject: Board Report

Human Resources – as of October 18



Fair Housing Training for Partners

MaineHousing is offering a free Understanding of Fair Housing training program. This program is on demand and self-paced. It is available through our online learning portal. To register for the training, please visit our website:

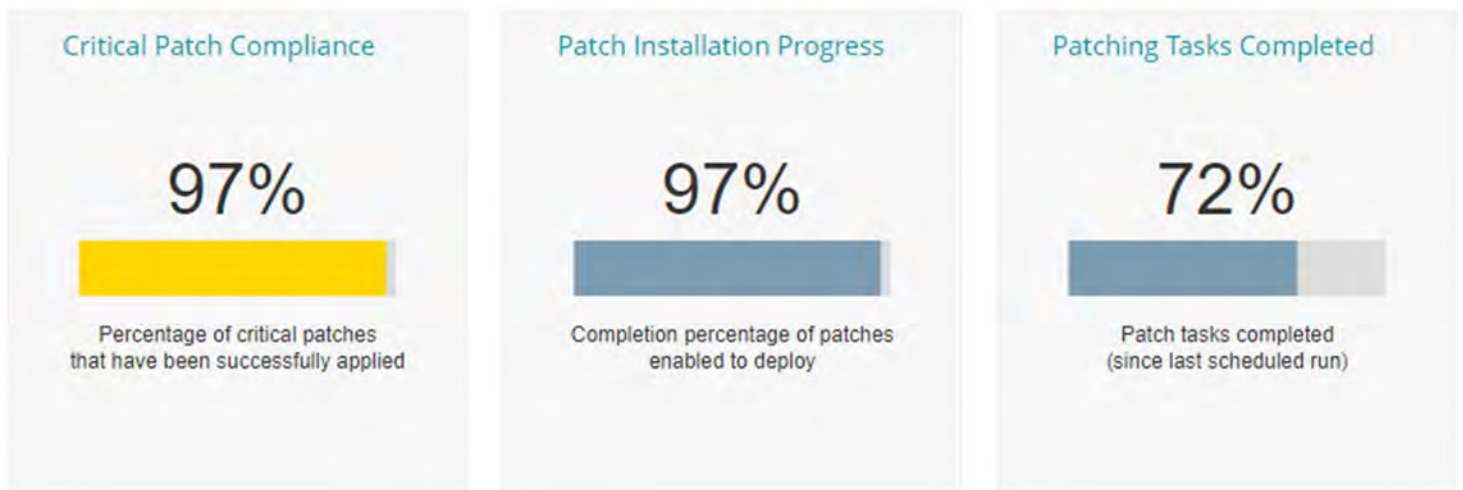
<https://www.mainehousing.org/education/fair-housing-education>

Information Technology Department Memorandum

To: Board of Commissioners
From: Craig Given, Director of IT
Date: October 18, 2023
Subject: Monthly Report

October Spotlight:

MaineHousing IT maintains an asset management system to track inventory and ensure that all systems have the latest security patches and software updates. We have seen an improvement in patching tasks thanks to changes in our patch system and related processes.



Information Technology Updates:

- Promoted Charles Smith to the position of Business Systems Manager, a new position created to manage the systems analyses, project management and process improvement across all business systems. Posted vacant Application Specialist position to hire replacement.
- Completed security hardening of Microsoft365 environment in preparation for implementation and migration.

- Transitioned to a new Print Services vendor and replaced most existing printer/copier devices.
- Selected vendor for Security Risk Assessment and Penetration Testing after receiving 26 RFP responses and reviewing proposals with a short list of 7 vendors.
- Began implementation of software to support Heating Assistance and Weatherization programs. Single Sign-On (SSO) capabilities enforced on new environment.
- Project to develop Role Based Access Controls (RBACs) for internal system began, with Proof of Concept based on IT roles underway.
- Applied security patches to critical systems to address identified vulnerabilities.
- Annual hardware refresh to replace aged out equipment with new devices started, with a target of 25% of the current inventory to be addressed.
- Technology and application team members involved in software implementations, including grant management software.
- Director of IT attended Maine Digital Government Summit in Augusta, along with technology leaders across the Maine government areas.
- Members of the IT Team attended the NCSHA conference in Boston, and participated in meetups and sessions along with peers from agencies throughout the country.

Planning and Research Department Memorandum

To: Board of Commissioners

From: Jonathan Kurzfeld, Director of Planning & Research

Date: October 17th, 2023

Subject: October 2023 Board Report

Planning and Research Department

It has been a busy month at MaineHousing and especially so for the department of Planning and Research. October 4th was a proud day for us all at MaineHousing as we hosted the 2023 Affordable Housing Conference in Portland, with record shattering registration and attendance. Governor Mills started off the day for us with a gracious speech outlining all of the accomplishments we have achieved over the past several years. Stockton Williams from NCSHA and Senator Theresa Pierce, Co-chair of the Joint Select Committee on Housing, then joined Erik in a discussion of state and national housing issues. Solomon Greene, HUD's Principle Deputy Assistant Secretary for Policy and Research spoke to us at lunch about zoning and land use issues, plus a variety of updates on HUD matters. Dr. Habib Dagher closed out the day with an overview of the amazing things happening at UMaine's Advanced Structures and Composites lab, including the 3D House MaineHousing helped make a reality. In between these keynotes, several breakout sessions were held on a variety of topics. Distinctive among those smaller sessions was the release and presentation of 2023 Housing Needs Study, drawing a huge crowd that was captivated by presenter Christiana Whitcomb (Director, HR&A Advisors).

As mentioned in our previous report, Webmaster Amanda Ouellette worked tirelessly and played an outsized role in the event given that she, in partnership with Executive Administrator Karen Lawlor, planned the entire conference. Another especially intensive contribution out of Planning and Research was planning and facilitating the media strategy for the release of the Housing Needs Study, which was coordinated with HR&A Advisors, the Governor's Office on Policy and Innovation, and the Department of Economic and Community Development.

In a final highlight from the conference, Communications Director Scott Thistle hosted an exceptional session on how to help the press tell your story right, which featured Rachel Ohm of the Press Herald, Robbie Feinberg of Maine Public, and Chris Costa of NewsCenter 6 (NBC WCSH). The panel of print, radio, and television reporters provided representation of all forms of traditional media. Thistle led the group in a friendly discussion with the audience that humanized our colleagues in the media and shared strategies – from both sides – for more productive interactions.

The other major event for all of MaineHousing this month was the NCSHA Annual Conference, from which I am returning even now as I write this. MaineHousing was well-represented by a contingent 20 directors, managers, and staff from throughout the agency. In addition to three other sessions that featured MaineHousing directors, Communications Director Scott Thistle moderated an exciting discussion about the future of artificial intelligence in communications and housing. We are all returning highly motivated, with renewed focus and a suite of new and exciting ideas. For myself, those range from strategies for data warehousing, to ideas about Fair Housing practices and how to message more effectively about affordable housing.

There are two more items I'd like to highlight from the past month. After meeting Amanda Rector, our State Economist, at the Change AGEnt Summit, I invited her to bring her team for a visit to MaineHousing. They visited on October 11th and had very productive conversations with myself and several of the senior directors. In addition to familiarizing them with our operations, we made plans to more actively facilitate data sharing between our offices and those of other state agencies.

The final development I'd like to share may seem minor but I believe it to be very important, is that I have begun working with our data analyst, Joshua Cole, on the development of technical files for all of our data products in Planning and Research. These will detail the sources, practices, and interactions for any dashboard, regular report, or other data output that we work on. If all is well, neither you nor anyone outside of my staff will ever see these files, but they are critical to responsible data stewardship and the continuity of operations.

External Communications

Communications Director Scott Thistle reports that late September and October media requests around affordable housing have remained on a steady pace averaging about two a day on a range of issues. These have come from all of our large market outlets as well as some of our smaller niche publications, like the *Bollard*, which is primarily focused on Portland. The total tally of direct requests we've responded to since composing our last report is 23.

The top issues remain homelessness and the response to it from state and municipal government including a large number of stories and reports on encampments and efforts to "sweep" or remove them. We anticipate that the media focus on this and related issues will intensify as winter approaches.

One big story that was well covered by the press in Maine was the release of the housing assessment needs study, which we facilitated through advance briefings and access to the report's authors for those reporters who had asked for details on the study ahead of its release. We coordinated this effort with our communications partners in the Governor's Office and at the Department of Economic and Community Development. The resulting reporting helped provide viewers, listeners, and readers with comprehensive and accurate information on what the study showed and what it did not. Ongoing interest in this assessment is continuing to drive requests from the press and others about this landmark study.

In other exciting news, the Bangor Daily News, has hired a reporter dedicated to covering housing-related issues in Maine. We see this as a positive development that the newspaper is dedicating its resources to help better inform the public on all of the complexities of affordable housing development and financing. To help foster a productive and professional working relationship we invited the new reporter, Zara Norman, to visit us here at MaineHousing where she had the opportunity to meet with several agency directors for conversation and introductory questions. Among others Zara was able to spend some time with MaineHousing Director Dan Brennan, Senior Director of Government Relations and Communications Erik Jorgensen, Development Director Mark Wiesendanger and Communications Director Scott Thistle. We also provided Zara with agency history, including our recent annual reports and our 50-year Anniversary Report as well as a short guided tour of our building.

We continue to see relationship building with our colleagues in the media as an important activity that will help Mainers better understand the work being done by MaineHousing on their behalf.

Internal Communications:

We continue to see elevated engagement on the intranet. The past month has been so busy with on- and off-site activities that it has been difficult to ensure that posts about each event receive its own moment in the spotlight. Several members of the internal communications team attended the NCSHA Annual Conference and we are excited to hear about new ideas and strategies that were gleaned from the many related sessions and community meetups.

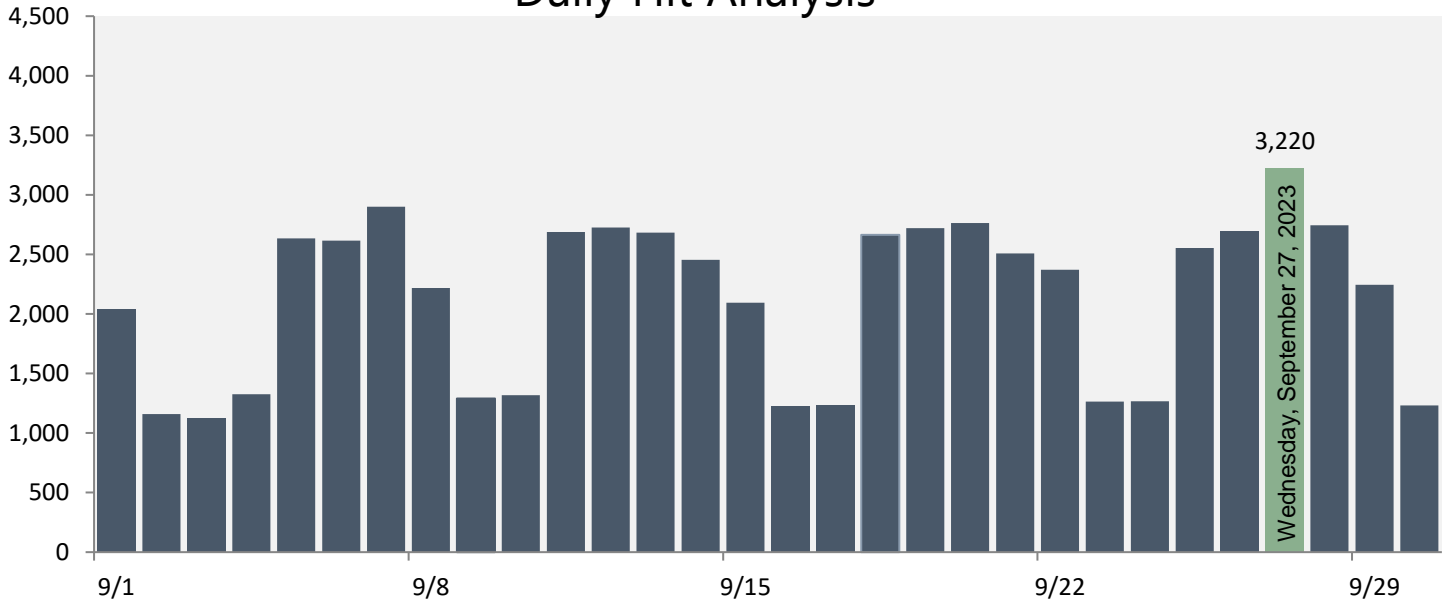
Website

Attached are the web stats for September 2023. Webmaster Amanda Ouellette reports that all areas are in line with expectations. HEAP and Home Repair inch up this time of the year, while homeownership inches down. HAF continues to draw a lot of traffic, but Amanda did notice some interesting changes in the nature of that traffic. There are a lot of application, message center, and portal login page views. There are not a lot of people looking at the required document or income limits pages. This leads us to believe that we are not bringing in many new views on the site. The people currently looking at the site have either been researching for a while, gathering required documents, and are now applying or they're just logging in to check the status of their application. With the new HAF advertising campaign just launching now, it will be interesting to see if these stats shift again.

September 2023 - MaineHousing Website Statistics

Hit Summary

Daily Hit Analysis

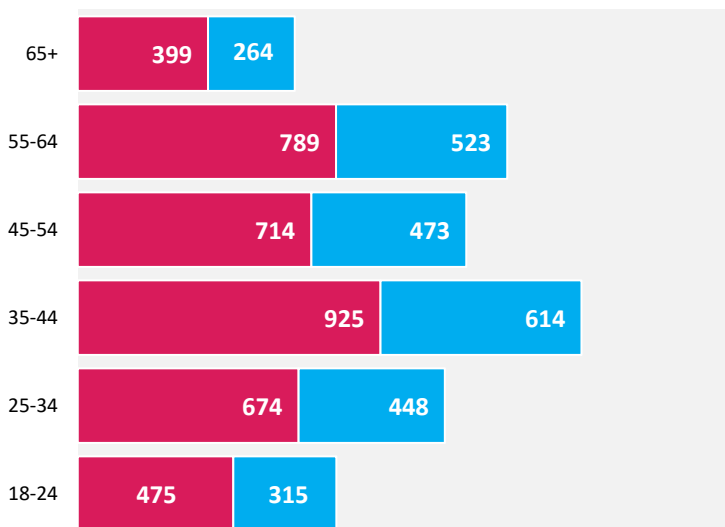


Hits	Unique Visitors	Page Loads	Avg Page Views	Avg Duration	Avg Engagement Rate
63,978	33,101	240,591	3.70	0:03:20	85.1%

Demographics Summary

Demographic information collected by Google Analytics via a 3rd party collection tool. Age and gender are estimated numbers based upon several features present on a users mobile device, browser history, and other factors. Users must have previously allow this information to be collected through browser or app settings.

AGE & GENDER



60%



40%

TOP CITIES

Portland, Maine	3,360
Bangor, Maine	1,787
Augusta, Maine	1,668
Lewiston, Maine	1,352
Hallowell, Maine	1,348
Waterville, Maine	972
Ashburn, Virginia	964
Sanford, Maine	690
Scarborough, Maine	574
South Portland, Maine	556

Top Cities account for 20.74% of all website traffic

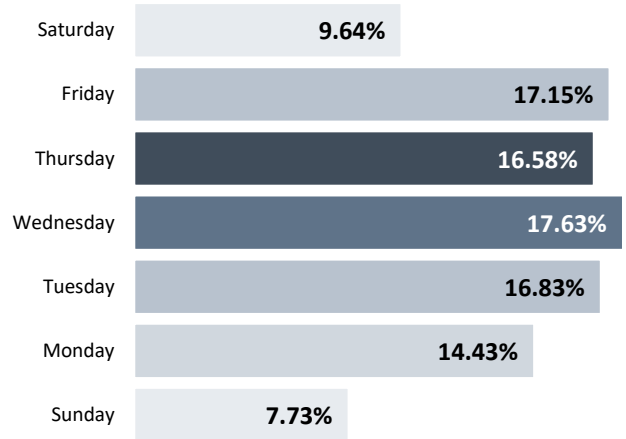
Visitor Engagement

Demographic information collected by Google Analytics via a 3rd party collection tool. Age and gender are estimated numbers based upon several features present on a users mobile device, browser history, and other factors.

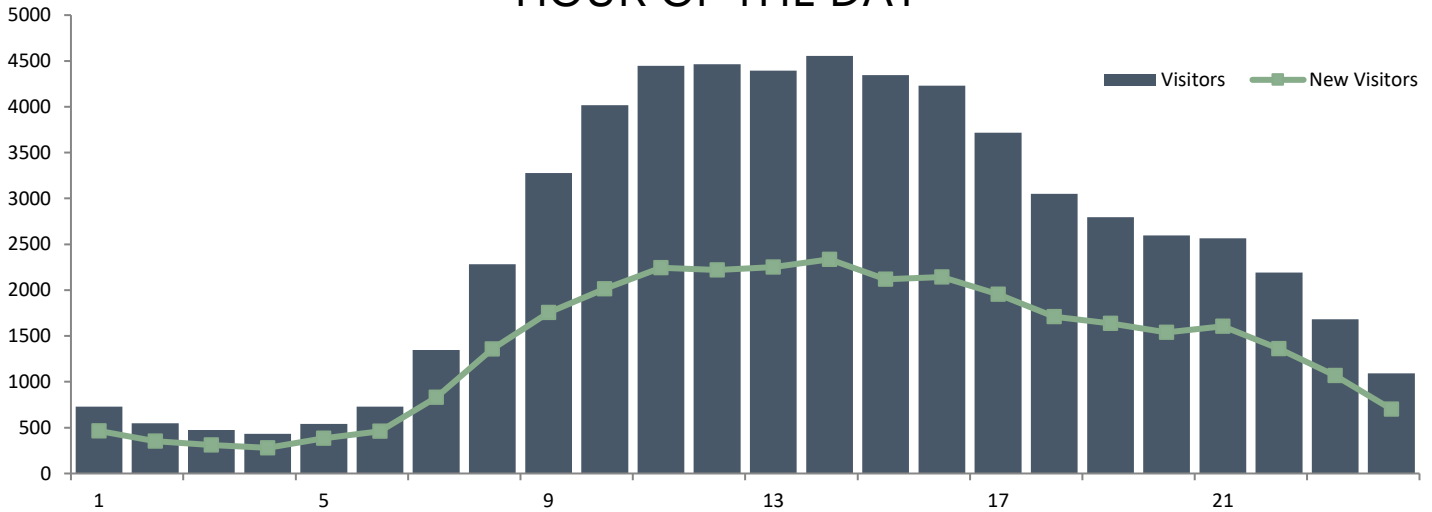
NEW & RETURNING VISITORS



DAYS OF THE WEEK

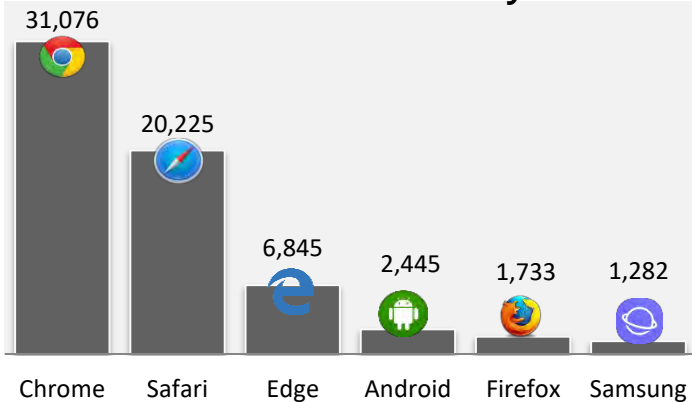


HOUR OF THE DAY

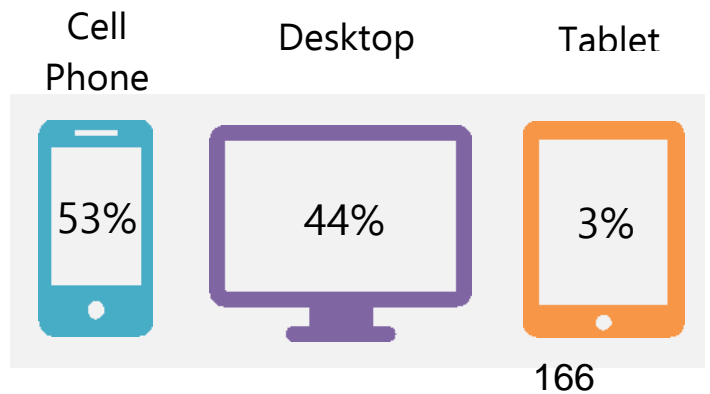


Visitor Technology Summary

Web Browser Analysis



DEVICE ANALYSIS

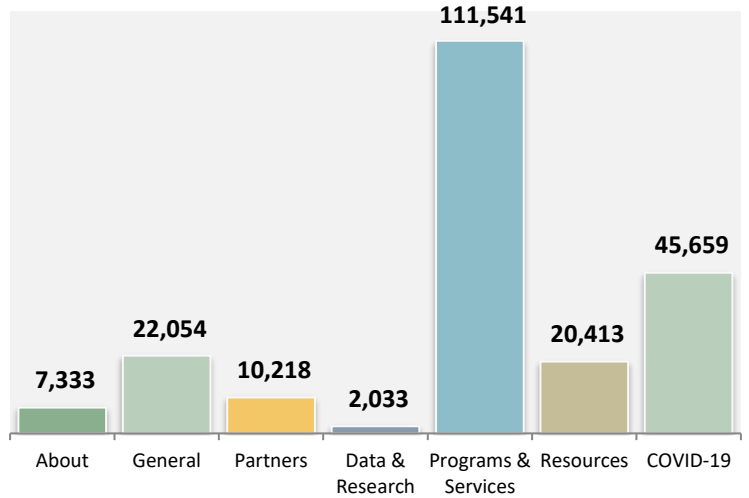


Popular Content

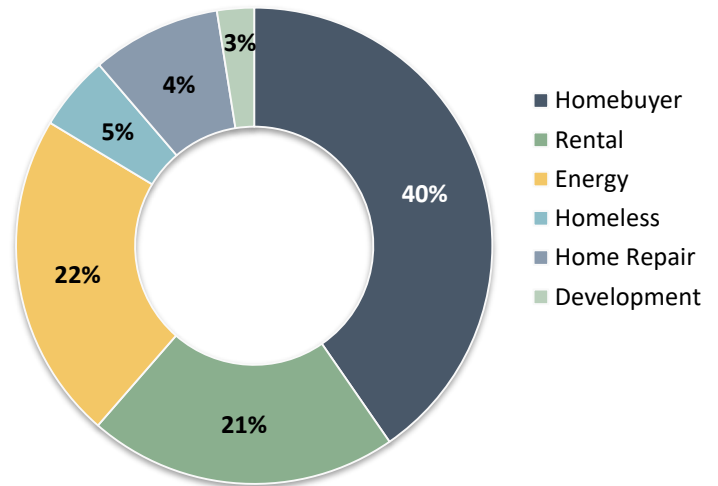
Popular content on our site is defined by pages and or sections of our site that have the highest visits. Below content has been categorized by page, program area and content sections. COVID-19 was added in March of 2020.

Page Title	Hits
MaineHousing Homepage	18,397
First Home Loan Program	17,849
Home Energy Assistance Program	14,825
Maine HAF Homepage	12,232
Maine HAF Application	9,670
HEAP Income Eligibility	9,439
Rental Assistance	6,692
Housing Choice Vouchers	6,352
Maine HAF Message Center	6,228
Maine HAF Login	5,848
Subsidized Housing	5,325
First Generation Program	5,144
MaineHousing Lenders	4,771
Programs - Services	4,683
Home Repair	3,799
Homebuyer Income & Purchase Limits	3,737
Weatherization Program	3,174
Current Interest Rates	3,033
Homebuyer Programs	3,004
Emergency Shelters	2,927
Emergency Rental Assistance Program	2,898
Contact MaineHousing	2,864
Steps to Homeownership	2,840
Maine HAF Validate Session	2,657
HEAP Agency Contacts	2,592

Popular Content By Program

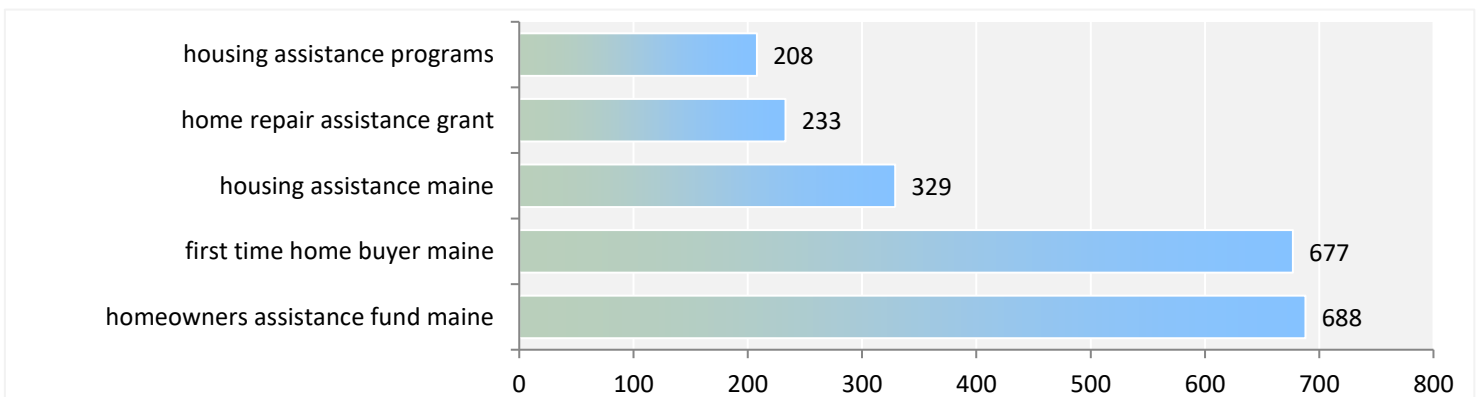


Popular Content By Section



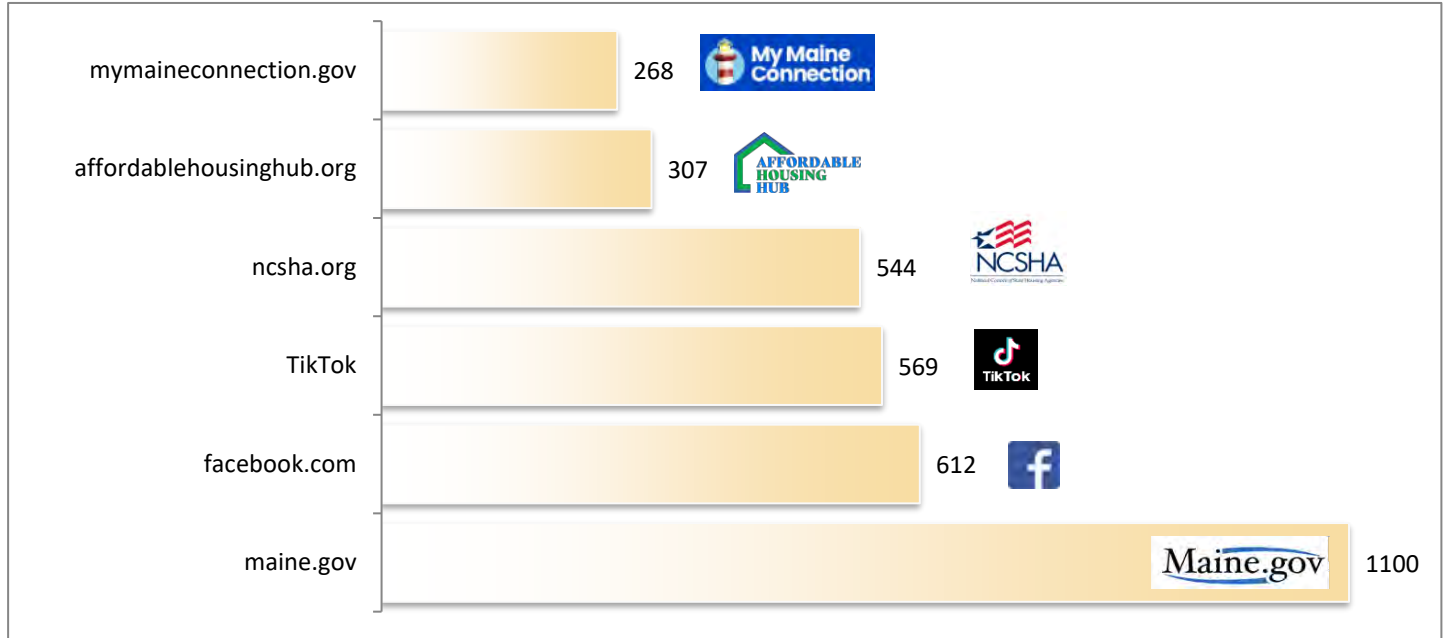
Search Keywords

Below are some of the most popular phrases that people are typing into a search engine (such as google or bing) that then provide a search result for our site.



Referring Websites

Referring websites are sites that link to our own website. When a visitor clicks on that link and visits our website, the site they came from becomes a referring site. Below are highlighted a few of the top referring sites.



Board Calendar 2023

<p>JANUARY 17 <u>Board Business:</u></p> <ul style="list-style-type: none"> • QAP discussion (30 minutes) • Legislative Preview • Updates from the Governor’s office (Greg Payne) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • HUB Coordinator update <p>NCSHA HFA Institute Washington, DC (Jan 8 – Jan 13)</p>	<p>FEBRUARY 21 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Introduce HEAP Rule • Legislative Update <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • QAP (if needed) • Homeownership – 2022 Review, 2023 Preview
<p>MARCH 21 <u>Board Business:</u></p> <ul style="list-style-type: none"> • HEAP Rule Discussion • Legislative update • Updates from the Governor’s office (Greg Payne) • Executive Session – Personnel <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • QAP (if needed) <p>NCSHA Legislative Conf. Washington, DC (March 27- March 29)</p>	<p>APRIL 18 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Commence Rulemaking HEAP Rule (VOTE) • Legislative Update • Executive Session – Personnel followed by a (VOTE) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 2022 Budget and Audit results
<p>MAY 23 <u>Board Business:</u></p> <ul style="list-style-type: none"> • HEAP Rule Public Hearing • Legislative Update <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 2022 Financial Overview 	<p>JUNE 20 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Updates from the Governor’s office (Greg Payne) • Adopt HEAP Rule (VOTE) • Legislative Final Report <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • Housing Choice Voucher Dept. presentation • Homeless Initiatives update <p>NCSHA Housing Credit Connect Seattle, WA (June 13 – June 16)</p>
<p>JULY 18</p> <p style="text-align: center;">If necessary</p> <p>NCSHA Exe Directors Workshop Nashville, TN (July 16-July 19)</p>	<p>AUGUST 15 <u>Board Business:</u></p> <ul style="list-style-type: none"> • 2024 Goal Setting
<p>SEPTEMBER 19 <u>Board Business:</u></p> <ul style="list-style-type: none"> • PHA Plan Public Hearing • 2024 Goal Setting <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • Information Technology presentation <p>NCSHA Annual Conference & Showplace Boston, MA (Oct 14 – Oct 17)</p>	<p>OCTOBER 24 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Adopt PHA Plan (VOTE) • Introduce DOE Weatherization State Plan • 2024 Goal Setting – final <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • Homeless Redesign Update - Lauren
<p>NOVEMBER 21 <u>Board Business:</u></p> <ul style="list-style-type: none"> • DOE Weatherization State Plan Public Hearing • Review Preliminary 2024 Budget • Resource Allocation • Updates from the Governor’s office (Greg Payne) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 	<p>DECEMBER 19 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Updates from the Governor’s office (Greg Payne) • Adopt DOE Weatherization State Plan (VOTE) • Approve 2024 Budget (VOTE) • Elect Officers (VOTE) • MPP Series Resolution (VOTE) <p><u>Program Presentations:</u></p> <p>NCSHA Special Board of Directors Meeting and Executive Directors Forum New Orleans, LA (Dec 3 – Dec 5)</p>