

**National Homebuyers
Fund Inc. (NHF)
Board of Directors Meeting**



**Wednesday, July 14, 2021
9:30 A.M.**

**1215 K Street, Suite 1650
Sacramento, CA 95814
(916) 384-1600**

National Homebuyers Fund, Inc.
Board of Directors Meeting
Wednesday, July 14, 2021 – 9:30 a.m.
1215 K Street, Suite 1650
Sacramento, CA 95814

In accordance with Executive Orders N-25-20 and N-29-20, the July 14, 2021 NHF Board of Directors Meeting will be facilitated virtually through Zoom with limited in-person attendance. Members of the public may attend the meeting in-person, provided that the NHF Board of Directors reserve the right to limit the number of people in attendance. Members of the public can also watch or listen to the meeting using one of the following methods:

1. Join the Zoom meeting application on your computer, tablet or smartphone:

Go to: <https://rcrcnet.zoom.us/j/94828947624?from=addon>

Enter Password: 009471

2. Call-in and listen to the meeting:

Dial +1 (669) 900-9128

Enter meeting ID: 948 2894 7624

Enter password: 009471

PUBLIC COMMENT USING ZOOM: Members of the public who join the Zoom meeting, either through the Zoom app or by calling in, will be able to provide live public comment at specific points throughout the meeting.

EMAIL PUBLIC COMMENT: One may also email public comment to mdemelo@rcrcnet.org before or during the meeting. All emailed public comments will be forwarded to all NHF Board members.

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation or an alternative format to assist you in observing and commenting on this meeting, or an alternative agenda document format, please contact NHF at (916) 447-4806 or by email at mdemelo@rcrcnet.org by 9:30 a.m. Tuesday, July 13th to ensure arrangements for accommodation.

NHF Board of Directors:

Supervisor Bob Williams, Tehama County

Supervisor Daron McDaniel, Merced County

Supervisor Stacy Corless, Mono County

Supervisor Dan Miller, Nevada County

Supervisor Jack Garamendi, Calaveras County

Agenda

I. Call to Order & Determination of Quorum

Chair, Supervisor Bob Williams, Tehama County

II. Approval of Minutes – May 12, 2021 Board Meeting

(Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise.)

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III. Public Testimony

At this time any member of the public may address the Board. Speakers are asked to state their name for the record. Comments are usually limited to no more than 3 minutes per speaker.

IV. NHF Quarterly Reports (Discussion and possible action relative to)

Lisa McCargar, Chief Financial Officer

Milena De Melo, RCRC Controller

a. NHF Condensed Balance Sheet (May 31, 2021)

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b. NHF Investment Report (May 31, 2021)

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c. NHF Budget v. Actual Report (May 31, 2021)

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V. Program Updates (Discussion and possible action relative to)

Craig Ferguson, Vice President

VI. Adjournment

Meeting facilities are accessible to persons with disabilities. By request, alternative agenda document formats are available to persons with disabilities. To arrange an alternative agenda document format or to arrange aid or services to modify or accommodate persons with a disability to participate in a public meeting, contact Milena De Melo by calling 916-447-4806 at least 48 hours prior to the scheduled meeting.

Agenda items will be taken as close as possible to the schedule indicated. Any member of the general public may comment on agenda items at the time of discussion. In order to facilitate public comment; please let staff know if you would like to speak on a specific agenda item. The agenda for this meeting of the Board of Directors of National Homebuyer's Fund was duly posted at its offices, 1215 K Street, Suite 1650 Street, Sacramento, CA 72 hours prior to the meeting.



**Board of Directors Meeting
Wednesday, May 12, 2021 - 9:30 a.m.
1215 K Street, Suite 1650
Sacramento CA 95814**

MINUTES

Call to Order, Determination of Quorum

Vice Chair, Supervisor Daron McDaniel, Merced County, called to order the meeting of National Homebuyers Fund, Inc. (NHF) at 9:31 a.m. A quorum was determined at that time. Those present:

Directors Present

Supervisor Daron McDaniel, Merced County
Supervisor Stacy Corless, Mono County
Supervisor Dan Miller, Nevada County
Supervisor Jack Garamendi, Calaveras County

Directors Absent

Chair, Supervisor Bob Williams, Tehama County

Others in Attendance

Pat Blacklock, President
Craig Ferguson, Vice President
Lisa McCargar, Chief Financial Officer
Arthur Wylene, RCRC General Council
Milena De Melo, RCRC Controller
Sanjay Lee, RCRC Financial Analyst
Carolyn Jhajj, RCRC Communications Director
Staci Heaton, RCRC Acting VP of Governmental Affairs
Maggie Chui, RCRC Senior Governmental Affairs Specialist
Mary Pitto (Consultant)
Art Ngo, Moss Adams LLP
Supervisor Gerry Hemmingsen, Del Norte County

Approval of Minutes of the February 10, 2021 Board Meeting

Supervisor Jack Garamendi, Calaveras County, motioned to approve the minutes of the February 10, 2021 NHF Board of Directors Meeting. Supervisor

Dan Miller, Nevada County, seconded the motion. Motion unanimously passed by a roll call vote.

AYE: Calaveras, Merced, Nevada

NO: None

Abstain: None

Absent: Mono, Tehama

Public Testimony

None

Introduction and Comments from President

Pat Blacklock, President shared with the Board that during the May all staff meeting, Carolyn Sunseri, RCRC Director of Marketing shared a presentation with the staff on the programs that both NHF and GSFA offer. Mr. Blacklock further noted that the presentation was very informative, and the staff will share this presentation with the Board in the near future.

Approval of the Draft Audited Financial Statements – December 31, 2021

Lisa McCargar, Chief Financial Officer presented the NHF Board of Directors with the 2020 Draft Audited Financial Statements. Ms. McCargar reviewed the financial statements, the performance for the year, the net position and performance compared to the budget. Ms. McCargar noted that Moss Adams, LLP will present at the previously scheduled Simultaneous meeting.

Recommendation

It is recommended that the NHF Board of Directors review and approve the draft 2020 audited financial statements and communications letter as presented for final issuance.

Supervisor Jack Garamendi, Calaveras County, motioned to approve the draft 2020 audited financial statements and communications letter as presented for final issuance. Supervisor Dan Miller, Nevada County, seconded the motion. Motion unanimously passed by a roll call vote.

AYE: Calaveras, Merced, Mono, Nevada

NO: None

Abstain: None

Absent: Tehama

NHF Quarterly Reports

Milena De Melo, RCRC Controller, presented the NHF Condensed Balance Sheet, Investment Report, and the Budget v. Actual Report, as of and for the period ended March 31, 2021.

Program Updates

Craig Ferguson, Vice President, provided the NHF Board of Directors an update on the current housing programs. Mr. Ferguson noted that along with Supervisor Jack Garamendi and our lobbyists from ACG, he met with HUD and shared the story of

NHF. ACG is working on our behalf to further schedule a meeting with Biden administration staff and HUD to further promote NHF's programs.

Additionally, NHF is working with Gateway Mortgage to duplicate the Open Doors / Interest Only Program in NHF.

Adjournment

Vice Chair, Supervisor Daron McDaniel, Merced County adjourned the NHF Board of Directors Meeting at 9:58 a.m.



National Homebuyers Fund, Inc.
1215 K Street, Suite 1650 · Sacramento, California 95814
Phone: (866) 643-4968 · Fax: (916) 444-3551 · www.nhfloan.org

To: NHF Board of Directors
From: Lisa McCargar, Chief Financial Officer
Milena De Melo, RCRC Controller
Date: July 9, 2021
Re: NHF Condensed Balance Sheet (May 31, 2021)

Summary

The Condensed Balance Sheet provides an overview of the Net Position of NHF as of May 31, 2021, compared to audited Net Position as of December 31, 2020 and 2019.

Attachment

- NHF Condensed Balance Sheet as of May 31, 2021.

National Homebuyers Fund
Condensed Balance Sheet (Unaudited)
May 31, 2021

	May 31, 2021	December 31, 2020	December 31, 2019
Assets			
Cash in banks	\$ 4,479,347	\$ 1,649,720	\$ 5,677,895
Cash in securities brokerage account	45,621,065	47,505,579	32,337,265
Cash in CalTRUST	35,263,933	35,249,478	41,969,413
Accounts receivable and other assets	920,625	765,241	108,845
Accounts receivable, affiliated entities	434,654	544,049	179,799
Accounts receivable, proceeds from sale of securities *	19,535,352	22,573,125	12,820,234
Second mortgages receivable, less loan loss allowance **	3,027,014	2,827,110	3,147,685
Total Assets	\$ 109,281,990	\$ 111,114,301	\$ 96,241,136
Liabilities			
Accounts payable	\$ 864,955	\$ 734,697	\$ 11,292
Accounts payable, affiliated entities	25,589	16,607	-
Accounts payable, securities to be purchased, at fair value **	19,490,664	\$ 22,708,867	\$ 12,812,773
Total Liabilities	\$ 20,381,208	\$ 23,460,171	\$ 12,824,065
Net Position	\$ 88,900,782	\$ 87,654,130	\$ 83,417,071

* Balances offset each other for a net impact on Statement of Revenues, Expenses, and Changes in Net Position of \$44,688, (\$135,742) and \$7,461 as of May 31, 2021, December 31, 2020 and December 31, 2019, respectively.

** Loan loss allowance of \$175,000 as of May 31, 2021 and December 31, 2020 and \$250,000 as of December 31, 2019, for all types of mortgages has been included as a reduction of amounts outstanding.



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To: NHF Board of Directors
From: Lisa McCargar, Chief Financial Officer
Milena De Melo, RCRC Controller
Date: July 9, 2021
Re: Investment Report for the Five Months Ended May 31, 2021

Summary

In accordance with NHF's investment policy, we are providing the NHF investment report. This report provides a summary of investment transactions from December 31, 2020 to May 31, 2021. Investment returns by investment type and a comparison to the 90-day Treasury Rate for the most recent period of May 31, 2021 have been included.

The CalTRUST yields are the funds' reported May 31st yields.

Attachment

- NHF Investment Report as of May 31, 2021.

NATIONAL HOMEBUYERS FUND
Investment Report
For the Five Months Ended May 31, 2021

	Total	CalTRUST Short-Term	CalTRUST Medium-Term
Balance 12/31/2020 *	\$ 35,269,609	\$ 2,091,990	\$ 33,177,619
Additions	-	-	-
Withdrawals	-	-	-
Interest (includes accrued)	49,409	1,805	47,603
Capital Gain/(Loss)	(98,863)	(2,071)	(96,792)
Balance 3/31/2021 *	\$ 35,220,155	\$ 2,091,724	\$ 33,128,431
Additions	-	-	-
Withdrawals	-	-	-
Interest (includes accrued)	21,218	836	20,382
Capital Gain/(Loss)	32,300	-	32,300
Balance 5/31/2021 *	\$ 35,273,673	\$ 2,092,560	\$ 33,181,113

Yield:	Reported as of May 31, 2021	
	Short Term	Mid Term
Annualized One Year	0.55%	0.81%
Average Maturity (days)	296	708
90 Day Treasury Bill Rate	0.01%	

All current cash investments are held in CalTRUST's Short-Term Fund or Medium-Term Fund. Cash in the CalTRUST Short-Term Fund may be accessed within 24 hours. Cash in the CalTRUST Medium-Term Fund may be accessed within 72 hours.

No members of the Investment Committee have any conflict of interest with any current investment firms.

* Amounts shown include accrued interest at the end of the period.

Purpose of transactions in excess of \$1 million:
- None



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To: NHF Board of Directors
From: Lisa McCargar, Chief Financial Officer
Milena De Melo, RCRC Controller
Date: July 9, 2021
Re: NHF Budget v. Actual Report (May 31, 2021)

Summary

The Statement of Revenues and Expenses for NHF provides a budget to actual comparison for the period ended May 31, 2021.

Attachment

- NHF Statement of Revenues and Expenses, Budget vs. Actual, for the Period Ended May 31, 2021.

NATIONAL HOMEBUYERS FUND
2021 BUDGET vs. ACTUAL
For the period ended May 31, 2021

	2021 Annual Budget	Period ended May 2021 Budget	Period ended May 2021 Actual	Variance Favorable / (Unfavorable)	Variance Favorable / (Unfavorable)
Income:					
Housing Program Revenue	\$ 34,650,000	\$ 14,437,500	\$ 7,436,683	\$ (7,000,817)	-48%
Program Management Fee Revenue	2,260,000	941,667	876,866	(64,801)	-7%
2nd Mortgage Interest	230,000	95,833	94,916	(917)	-1%
Interest Income	750,000	312,500	74,456	(238,044)	-76%
Unrealized Capital Gains (Loss)	20,000	8,333	(66,563)	(74,896)	-899%
Total Income	\$ 37,910,000	\$ 15,795,833	\$ 8,416,358	\$ (7,379,475)	-47%
Expenditures:					
Accounting & Auditing	\$ 21,300	\$ 8,875	\$ 13,293	\$ (4,418)	-50%
Business Development and Expansion	100,000	41,667	11,437	30,230	73%
Consultants	250,000	104,167	92,500	11,667	11%
Contract Support Services	2,058,000	857,500	857,500	-	0%
County MCC Fees	-	-	7,900	(7,900)	100%
Custodian / Trustee Fees	-	-	1,716	(1,716)	100%
Dues, Fees & Subscriptions	20,000	8,333	8,250	83	1%
Excess Resources to RCRC	1,000,000	416,667	250,000	166,667	40%
Insurance	43,000	17,917	17,564	353	2%
Legal Services	150,000	62,500	3,584	58,916	94%
Loan Losses	100,000	41,667	-	41,667	100%
Meetings	1,000	417	-	417	100%
Miscellaneous	1,000	417	650	(233)	-56%
Gift Program	16,000,000	6,666,667	5,823,036	843,631	13%
Pipeline Services	40,000	16,667	18,750	(2,083)	-13%
Rent	68,800	28,667	26,169	2,498	9%
Sponsorships	100,000	41,667	37,358	4,309	10%
Total Expenditures	\$19,953,100	\$ 8,313,792	\$ 7,169,707	\$ 1,144,085	14%
Net Revenue Over Expenditures	\$17,956,900	\$ 7,482,042	\$ 1,246,651	\$ (8,523,560)	-114%