ORANGE COUNTY HOUSING FINANCE AUTHORITY

AGENDA PACKAGE

Board of Directors' Meeting

Wednesday, March 7, 2018 – 8:30 a.m.

ORANGE COUNTY ADMINISTRATION BUILDING
201 SOUTH ROSALIND AVE – ORLANDO, FL 32801

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

MEMORANDUM

TO:
Marshell Siplin, Chairman, OCHFA
Mercedes McCall, Vice Chairman, OCHFA
Clemente Cuevas, Board of Directors, OCHFA
Vernice Atkins-Bradley, Board of Directors, OCHFA
Sascha Rizzo, Board of Directors, OCHFA
Warren S. Bloom, General Counsel, Greenberg Traurig
Mike Watkins, General Counsel, Greenberg Traurig
Sylvia S. Penneys, Bond Counsel, Greenberg Traurig
Bruce Giles-Klein, Bond Counsel, Greenberg Traurig
David Jones, Financial Advisor, CSG Advisors
Helen H. Feinberg, Senior Managing Underwriter, RBC Capital Markets
Donald Peterson, Co-Managing Underwriter, Raymond James
Tim Wranovix, Co-Managing Underwriter, Raymond James
Lila McHenry, Assistant County Attorney, BCC
Peggy McGarrity, Comptroller Office – Orange County
Fred Winterkamp, Manager, Fiscal and Business Services – Orange County

FROM: Olympia Roman, Office Supervisor

DATE: February 28, 2018

RE: **MARCH 7, 2018 BOARD OF DIRECTORS' AGENDA**

Enclosed is the Directors' meeting agenda package; scheduled as follows:

Date:	Wednesday, March 7, 2018
Time:	8:30 a.m.
Location:	Orange County Administration Center Commissioner's Chambers 201 Rosalind Avenue - Orlando, Florida 32801

If you have any questions, need additional information, or you will not be attending the meeting, please contact me as soon as possible at 407.894.0014, ext. 304.

Thank you.

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

OCHFA BOARD OF DIRECTORS' MEETING
March 7, 2018 ~ 8:30 A.M.

AGENDA

PUBLIC COMMENT

CONSENT AGENDA

A. GENERAL ADMINISTRATION

1. Adoption of February 7, 2018 Board of Directors Meeting minutes. *…Pg. 2-4*
2. Ratification of February 20, 2018 Joint Committee minutes. *…Pg. 5-6*

B. **EXECUTIVE DIRECTOR'S OFFICE**

1. Acknowledgment and Ratification of the Executive Director Significant Accomplishments. *…Pg. 7-16*

C. FINANCIAL MANAGEMENT

1. Acknowledgement of the consolidated balance sheet for the Operating Fund; acknowledgement of combined statement of rev(s)/ exp(s)/ changes in retained earnings; acknowledgement of FY 2018, operating fund comparison of budget vs. actual; acknowledgement of FY 2018, operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments. *…Pg. 17-27*

D. PROGRAM OPERATIONS

1. Acknowledgement of the Current Status of the Single-Family HRB Program. *…Pg. 28-33*
2. Acknowledgement of the Multi-Family Audit Period January 26 – February 22, 2018. *…Pg. 34-44*

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

1. Consider approval and adoption of the Authority's Fiscal Year 2016-2017 Annual Audited Financial Statements. *…Pg. 45-96*

B. OTHER BUSINESS

ADJOURNMENT

OFFICIAL MEETING MINUTES

Meeting: Board of Directors Meeting **Date:** Wednesday, February 7, 2018 **Time:** 8:30am

Location: Orange County Administration Center – Commissioners Chambers – 1st Fl., 201 S. Rosalind Ave., Orlando, FL.

Board Members PRESENT	Board Members ABSENT	OCHFA Staff PRESENT		OCHFA Professionals PRESENT	BCC Staff PRESENT
Marshell Siplin Chairman	Clemente Cuevas Board Member	W.D. Morris Executive Director	Olympia Roman Staff/ Recording	Warren Bloom General Counsel, Greenberg Traurig	Lila McHenry Assistant District Attny
Mercedes McCall Vice Chairman	Sascha Rizzo Board Member	Kayode Adetayo Chief Financial Officer	Rosalind Natal Staff	Mike Watkins General Counsel, Greenberg Traurig	
Vernice Atkins-Bradley Board Member		Frantz Dutes Director Single-Family	Mildred Guzman Staff	David Jones Financial Advisor – CSG Advisors	
			Kelly Cambre Staff	James Audette Trustee Services – U.S. Bank Global Corp	

MEETING OPENED

There being a quorum, Madam Chairman, Marshell Siplin called the meeting to order at 8:30 a.m.

PUBLIC COMMENT(s)

No comment(s).

CONSENT AGENDA

ACTION TAKEN

There being no discussion, the Board approved Consent Agenda items.

MOTION / SECOND: *V. Atkins-Bradley/ M. McCall* AYE BY VOICE VOTE: *All Present* NAY BY VOICE VOTE: ____ ABSTAINED: ____

A. GENERAL ADMINISTRATION

1. Adoption of the January 3, 2018, Board of Directors Meeting minutes.

B. **EXECUTIVE DIRECTOR'S OFFICE**

C. FINANCIAL MANAGEMENT

1. Acknowledgement Summary of OCHFA's Operating Fund Investments. Acknowledgement of the consolidated balance sheet for the Operating Fund; acknowledgement of combined statement of rev(s)/ exp(s)/ changes in retained earnings; acknowledgement of FY 2018, operating fund comparison of budget vs. actual; acknowledgement of FY 2018, operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments.

D. PROGRAM OPERATIONS

1. Acknowledgement of the Current Status of the Single-Family HRB Program.
2. Acknowledgement of the Multi-Family Audit Period January 2018.

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

CONSIDER APPROVAL TO TRANSFER THE OWNERSHIP INTEREST OF THE ALTA WESTGATE APARTMENTS.

W.D. Morris, Executive Director addressed the Board regarding the request to Transfer the Ownership Interest of the Alta Westgate Apartments. He stated that the request was submitted by Lou Vogt, Principal of Banyan – AGPM Inc. He then stated that the developments' Land Use Restriction Agreement (LURA) required prior written consent of the current credit provider; and that the Authority's staff and Financial Advisor had reviewed the proposed new owner and manager's qualifications and experience; and had determined the financial ability of the proposed guarantor(s) to provide guarantees. He concluded by stating that the Authority's General Counsel has reviewed the request and recommending Boards' approval subject to:

1. Staff's review and approval of the experience and capabilities of the proposed managing member's principal(s);
2. The Authority's Financial Advisor's recommendation as to financial capabilities of replacement guarantor(s);
3. Written consent of the current credit provider;
4. Compliance with provisions of Section 16 of the LURA, including the delivery of a no adverse effect opinion from Bond Counsel; and
5. General Counsel's review and preparation of necessary documents.

Chairman Siplin asked Mr. Zimmerman (Principal – Banyan) to approach the board and provide more insight of the request. Brief discussion ensued.

ACTION TAKEN

There being no further discussion, the Board approved the Transfer of General Partner Interest in the Alta Westgate Apartments; subject to five conditions: (1) Staff's review and approval of the experience and capabilities of the proposed managing member's principal(s); (2) The Authority's Financial Advisor's recommendation as to financial capabilities of replacement guarantor(s); (3) Written consent of the current credit provider; (4) Compliance with provisions of Section-16 of the LURA, including the delivery of a no adverse effect opinion from Bond Counsel; and (5) General Counsel's review and preparation of necessary documents; and authorization to execute the documents by the Chairman, Board Members and Executive Director.

MOTION / SECOND: *V. Atkins-Bradley/ M. McCall* AYE BY VOICE VOTE: *All Present* NAY BY VOICE VOTE: ____ ABSTAINED: ____

BOARD AUTHORIZATION TO CANCEL THE JULY 2018 REGULAR BOARD MEETING.

Mr. Morris, addressed the Board regarding its consideration to cancel the Authority's July 2016 Board meeting.

ACTION TAKEN

There being no discussion, the Board cancelled its regular board meeting of July 4, 2018.

MOTION / SECOND: *M. McCall/ V. Atkins-Bradley* AYE BY VOICE VOTE: *All Present* NAY BY VOICE VOTE: ____ ABSTAINED: ____

OTHER BUSINESS

OCHFA's Finance Committee Meeting

Mr. Morris reminded the Board of the Authority's upcoming Finance Committee Meeting, to discuss the Authority's 2017 Financial Audit.

ADJOURNMENT

There being no further business, Chairman Marshell Siplin, adjourned the meeting at 8:42 a.m.

ATTEST:

W.D. MORRIS
EXECUTIVE DIRECTOR

MARSHELL SIPLIN
CHAIRMAN

END OF MINUTES PREPARED BY OLYMPIA ROMAN

OFFICIAL MEETING MINUTES

Meeting: Joint Committee Meeting **Date:** Wednesday, February 20, 2018 **Time:** 12:00pm
Location: Orange County Housing Finance Authority – 2211 E. Hillcrest St., Orlando, FL 32803

Members PRESENT	Members ABSENT	OCHFA Staff PRESENT	Professionals PRESENT
Mercedes McCall Committee Chairmain	Sascha Rizzo Committee Member	W.D. Morris Executive Director	Esther Nichols Auditor – The Nichols Group
Clemente Cuevas Committee Member	Marshell Siplin Ex-Officio	Kayode Adetayo Chief Financial Officer	
Vernice Atkins-Bradley Committee Member		Olympia Roman Staff/ Recording	

MEETING OPENED

There being a quorum, Madam Chairman, Mercedes McCall called the meeting to order at 12:13 p.m.

A. AUDITED FINANCIAL STATEMENTS 2016/ 2017

Mercedes McCall, asked the Auditor to provide an overview/highlights of the Annual Audit and Financial statements. Ms. Nichols, The Nichols Group (Auditor) began her presentation by reviewing the required Professional Standards and Government Auditing Standards to include the Management Letter. She addressed the Committee and stated that there are certain communications that The Nichols Group are required to communicate with the Audit Committee; including the Auditor's responsibility to plan and perform the audit to obtain reasonable, but not absolute assurance, that the financial statements are free of material misstatements. She continued reviewing the draft audit, stating that there were no findings relating to the Financial Audit or Florida Statutes; and that the Authority has a Clean Opinion and Report of its Audited Financial Statement FY2016/2017. Ms. Nichols then reviewed the Authority's FY 2016/2017 Audit Highlights, summarizing the operating fund, Single-Family Mortgage Revenue Bond program and Multi-Family MRB Programs. .

Ms. Nichols concluded by expressing her thanks to staff for their exemplary cooperation throughout the audit preparation. There being no further discussion, Committee Member Cuevas framed the recommendation of the Committee, to include acceptance and adoption of the Authority's FY2016/2017 Draft Annual Audited Financial Statement, at its Board meeting of March 7, 2018.

ACTION TAKEN

There being no further discussion, the Committee recommends that the Authority's Fiscal Year 2016/2017 Draft Annual Audited Financial Statements, be presented to the Board for its acceptance and adoption at its Board meeting of March 7, 2018.

MOTION / SECOND: *C. Cuevas/ V. Atkins-Bradley* AYE BY VOICE VOTE: *All Present Members* RECUSED/ ABSTAINED: *N/A*

Meeting Recessed at 12:32pm

Meeting Reconvened at 1:00pm

B. EXECUTIVE DIRECTOR ANNUAL REVIEW

Committee Chair McCall, asked W.D. Morris, Executive Director, to address the Committee. Mr. Morris stated that included in the Committees agenda package was a report detailing the Authority's Significant Accomplishments. He also provided highlights and addressed questions. He then emphasized that his performance could not be separated from the overall performance of the organization, as related to the Strategic Plan.

Committee Chair, McCall, opened the floor to the Committee, discussing the Authority's Significant Accomplishments over the past year, as it relates to Mr. Morris' performance. Committee Members acknowledged the report, providing comments relating to the Executive Director's performance; as well as the overall performance of the organization over the past year. After discussion, the Committee recommended the Executive Director's Employment Contract be amended with appropriate adjustments; and that this item be placed on the Boards consent agenda for its March 7, 2018 meeting.

ACTION TAKEN

There being no further discussion, the Committee recommends Board approval of the Executive Director's Amended Employment Contract (amended with appropriate adjustments); authorize execution, and that this item be placed on the Boards consent agenda at its March 7, 2018 meeting (acknowledgement and acceptance).

MOTION / SECOND: *V. Atkins-Bradley/ C. Cuevas* AYE BY VOICE VOTE: *All Present Members* RECUSED/ ABSTAINED: *N/A*

ADJOURNMENT

There being no further business, Joint Committee Chairman, Mercedes McCall, adjourned the meeting at 1:31 p.m.

ATTEST:

W.D. MORRIS
EXECUTIVE DIRECTOR

MERCEDES McCALL
COMMITTEE CHAIRMAN

END OF MINUTES PREPARED BY OLYMPIA ROMAN

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
DATE:	February 21, 2018
RE:	**ACKNOWLEDGEMENT OF THE AUTHORITY'S SIGNIFICANT ACCOMPLISHMENTS REPORT FOR FISCAL YEAR 2017 – 2018.** MARCH 7, 2018 REGULAR BOARD OF DIRECTORS' MEETING

BACKGROUND

On Tuesday, February 20, 2018, Joint Committee Members met to review and discuss the Authority's Significant Accomplishment Report (Mercedes McCall, Chair; Clemente Cuevas and Vernice Atkins-Bradley Committee Members). The Committee examined the Agency's performance over the last year in relation to the adopted Strategic Plan and other relevant performance indicators as related to the Authority's and Mr. Morris' performance. The Committee acknowledged the accomplishments of the Authority and rated Mr. Morris' performance as notable, for the reporting period of March 2017 to February 2018; acknowledging the continuation of a difficult bond market, which impacts the Authority's ability to issue bonds that provides financing to originate loans and close multi-family transactions.

The Committee further acknowledged Mr. Morris and the Authority's performance; to include the MBS Financings Strategy to generate financing that supports the single-family program, the financial soundness of the organization, along with the achievement of the majority of the strategic goals and objectives, particularly when, reflecting on today's environment, and its continual, modest growth. The Committee recommends the Executive Director's Employment Contract be amended with appropriate adjustments; and that this item be placed on the Boards consent agenda for its March 7, 2018 meeting.

ACTION REQUESTED

Board acknowledgement and ratification of the Joint Committees' recommendation to Extend **the Executive Director's Employment Agreement**/Contract; and authorization for the Chairman or Board Members to execute the Executive Directors Twenty-First (21st) Contract Renewal Agreement.

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

DATE: February 9, 2018

RE: **SIGNIFICANT ACCOMPLISHMENTS MARCH 2017 - 2018.**
FEBRUARY 20, 2018, JOINT COMMITTEE MEETING.

Throughout 2017, the Authority utilized its Mortgage Backed Securities (MBS) to finance the Single-Family Home Purchase Program, via purchasing and selling MBS' which allows the Authority to generate capital to originate mortgage loans for eligible home buyers. As of, the Authority has purchased and transferred approximately $22MM of MBS proceeds, utilizing some to assist with the purchase of their first home, over the past year. The Authority also utilized more than $172K to provide Down Payment Assistance loans to families, in the purchase of their first home. Since March 2017, the Authority induced and/or closed three (3) developments of Multi-Family; consisting of 603-units for an estimated bond financing cost of $46,439,000:

Multi-Family Project Developments:

Closed/ Underwriting Phase		Issuance	Units
Landon Pointe	$	20,164,000	276
Lake Weston Point	$	20,000,000	240
Citrus Square	$	6,275,000	87
Closed Financing	$	*46,439,000*	*603*

Pending Projects		Pipeline	Units
Willow Key	$	30,600,000	385
Pending Financing	*$*	*30,600,000*	*385*

Of the four developments, two (2) have closed, one (1) is in the final underwriting phase; and one (1) is in the application review phase.

For most of 2017, the tax-exempt bond market continued to be unfavorable for new issuances of single-family Mortgage Revenue Bonds (MRB). This kind of market does not produce competitive, tax-exempt mortgage rates; the market also produces negative arbitrage, which substantially increases the cost of financing and originating MRB loans. The MBS market continued to be much more efficient than the tax-exempt market, and as a result, the Authority operated in the MBS market for most of the past year, utilizing the Advance Loan Program (ALP) – originating loans, pooling loans, purchasing loans and selling of some MBSs (when the market allows generation of profits and keeping others to roll into a future MRB issue). Notwithstanding the above; the Authority issued the Homeowner Mortgage Revenue Bonds (HMRB), 2017-A (not-to exceed $20MM – September 6, 2017).

Financially, the Authority continues to enhance its revenue position, by redeeming bond issues and purchasing MBSs; which provided favorable terms, allowing the Authority to generate greater revenues (over time), from the residuals and yields on some single-family bond issues and MBSs. Through the use of the MBS market, staff projects greater revenues via the Principal Receipt, Pre-payments and interest generated at rates from 4.40% to 6.78%, for the life of the MBS investment, projected to be at 3-5-years. The Authority executed Optional Redemptions for its HMRB's 2007-A and 2007-B bond issuances, which has increased the Authority's revenue streams.

As was stated above, these actions have increased the Authority's revenue streams, positioning the Agency to make investments in the single-family program or other programs (reflected above), when required; and to remain a viable concern moving forward into the future, creates an environment for other investments opportunities from time-to-time; as well as, keeping the Authority from having to approach county, state or federal government for funding.

When one considers the economic and financial environment of the tax-exempt market that we continue to operate in, OCHFA is successful. We also continue to take advantage of opportunities to do things a little differently than others around us (stated above). We have been blessed with both the human and financial resources to do things a little different, a strong Board Directors, tremendous staff and a great team of professionals has helped to produce our success.

Additionally, the Authority posted its Open Cycle Application period which allows for applications to be received throughout the year, enabling the Authority to take advantage of every market opportunity possible; as well as, enabling developers to finance additional multi-family developments for low, moderate and middle income households and individuals throughout the year.

This is the second (2nd) year of the Authority's 2016-2019 Strategic Plan-period. The Authority established a goal of Financing 1,000 units of multi-family housing, over the three year Strategic Plan period; approximately 1,100-units provided over the 2-year period. The Authority has induced and closed financing of 603-units since March 2017. Three hundred eighty-five (385) units are currently in the application review process.

The Authority adopted its Strategic Plan (SP) Objective of rolling out Single-Family Bond Issues, as often as the market conditions allows, with a 3-year goal of providing mortgages for 300 first-time homebuyers. During this reporting period, the Authority has originated and closed single-family mortgages for twenty-two (22) Central Florida families; primarily via generating capital through MBS alternative. The third phase of the Authority's Succession Plan was implemented; to include the hiring of a new Chief Financial Officer (September 2017).

I. ANNUAL FINANCIAL MANAGEMENT AUDIT

- Directed the preparation of the Annual Audit. The Authority's performance in Managing the Financial, Planning and Management continues to produce a strong Financial Statement with no findings and a bottom line of $427,239 of net income for FY 2017. Total revenues were $2,448,781. Total expenses were $2,021,542.

II. ORGANIZATIONAL PERFORMANCE

- Directed the preparation and posting of the 2017 Open Cycle Applications for Multi-Family Projects, proposals received to date.
- Directed the development of the Annual Financing Plan (use of 2017 Volume Cap and strategic use of th**e Authority's** revenues).

III. BOND TRANSACTIONS

PARTNERSHIP VENTURES

- $2MM: Continued Line of Credit with the Orlando Habitat for Humanity, to assist in the development of 59-units for first-time homebuyers, all of low income families.
- $20MM: Continued, Limited Line of Credit for use of the Federal Home Loan Bank of Atlanta, to provide financing for the support the Single-Family Program.

ACTIVITIES ACCOMPLISHED UNDER THIS CATEGORY ADDRESSED STRATEGIC PLAN GOALS #1 AND #3 AND ASSOCIATED OBJECTIVES.

IV. INTER-AGENCY POLICY INVOLVEMENT

- Continue providing information to key legislators requesting full funding fund for the Sadowski Trust Fund.
- Worked with FLALHFA (Florida Association of Local Housing Finance Authorities) and FHFC in providing educational materials and briefing sessions with state legislature and federal legislative bodies.

The Authority continues to operate in challenging times, in the single-family and multi-family markets, the Authority's performance reflects a good measure of success in overall operations, management and program performance. With respect to the Multi-Family program, during the year the Authority induced and/or closed 603-units, at an amount exceeding $46,400MM over the past year. With respect to Single-Family program, the Authority originated -loans. The internal and external focus continues to be on Board of Directors development and relationship building, organizational and financial management with an emphasis on comprehensive organizational planning and management with efficient utilization of staff and all the Authority's professionals.

The philosophy and focus assist management in achieving or exceeding its strategic goals and objectives of the Authority even in difficult market environments.

The List of Accomplishments stated in the document is reflective of the Authority's accomplishments in achieving its public purpose of providing mortgage financing at the lowest rates possible, through investing revenues, when the market allows, into new single family issues and managing the timing of deals to enter the market at the best possible time, or remaining out of the market, if necessary for a time, along with utilizing the Authority's Volume Cap for multi-family development to accomplish and/or exceed the strategic goals and objectives, while accomplishing the mission goals and objectives, and generating the following bottom lines with net incomes reflecting sound management.

YEAR	GROSS REVENUES	NET INCOME
2017	$ 2,448,781	$ 427,239

STRATEGIC PLAN

2016-2019

Orange County Housing Finance Authority
Board Approved & Adopted – September 7, 2016

GOAL 1

Provide affordable homeownership financing for at least 300 eligible low, moderate and middle income families in Central Florida over the three-year period.

EXISTING OBJECTIVES

1. Determine the best utilization of bond volume cap for each upcoming year and develop an annual allocation plan for single-family (SF) and multi-family (MF) Private Activity Bond Volume Cap by July 30th of each year. – Provide tax-exempt financing for at least 300 loans, based on continuation of MBS program to provide financing and lending programs of $40MM over 3-years.	Ongoing objective.
2. Determine/refine specific homeownership program objectives annually; and implement single family mortgage program and bond structures; and/or MBS programs best suited to meet these objectives: – Offer loans with the "lowest feasible rate" (and a point structure established to recover a portion of the Authority's cost of issuance) for homebuyers who have saved or otherwise have the cash required to pay down payment and closing costs. – Offer loans with a "cash assistance" payment to be used to offset the homebuyer's cash requirements at loan closing for homebuyers who can afford slightly higher monthly payments, but who have been unable to save the cash required for closing costs. – Partnership with FHFC to provide down-payment assistance to first-time homebuyers. – Offer "subsidized" loans (by blending Central Florida regions', counties SHIP funds) with the lowest possible rate and with cash assistance payment to be used by low income homebuyers to offset the cash required for closing (Central Florida region). – Provide the lowest cost funding for the above three loan types and, given 32-year rule limitations resulting from the source of bond volume cap, utilize a bond financing structure which produces the highest net present value of annual administration fees and cash residual to the Authority.	Ongoing objective.
3. Time the rollout of each single family mortgage revenue bond issue to coincide with lender/homebuyer demand for additional bond financing when market conditions allow.	Ongoing objective.
4. Size each SF bond issue to achieve 100% reservation within 6-7 months and 100% delivery of closed loans within 12-14 months.	Ongoing objective.

GOAL 1

Provide affordable homeownership financing for at least 300 eligible low, moderate and middle income families in Central Florida over the three-year period.

EXISTING OBJECTIVES

5.	Rollout at least **one** SF bond issues annually (when bond volume cap and/or MBS program and market conditions permits) establishing a pipeline of loans prior to each issuance (continuous lending)	Ongoing objective.
6.	Market each program (prior to and after the commencement date) through television and radio ads, along with broadly distributed printed brochures and through staff participation in a series of press releases, educational seminars, housing fairs and speaking engagements at mortgage and real estate industry events. – Advertising through online marketing tools of “Google AdWords Express” – providing exposure to website/online users throughout Orange, Seminole, Osceola and Lake Counties. – Explore opportunities through social media to expand OCHFA’s homeownership marketing resources. – Research the creation and implementation of an OCHFA mobile app (android and IOS platforms)	Ongoing objective.
7.	Conduct lender and realtor training prior to each program rollout and as often as needed to bring new lenders and realtors into the program and coordinate lender utilization of mortgage and down-payment assistance programs.	Ongoing objective: Recommend continuation.
8.	Provide financial support to non-profit providers of homebuyer education and consumer credit counseling services.	Ongoing objective: Recommend continuation.
9.	Examine the feasibility of adopting an MBS/TBA program as a financing and lending option.	Ongoing objective. Revised recommendation.
10.	Review SF bond issues and when feasible, execute MBS transactions as market conditions allow.	Recommend continuation. Executed MBS transactions as market conditions allowed.

GOAL 2

Provide financing for expansion and preservation of at least ~~900~~ 1,000 “mixed ***income” rental housing units which are affordable to low moderate and middle*** *income families in the Central Florida region over the three-year period.*

EXISTING OBJECTIVES

1. Provide financing to expand or preserve **1,000** units of Affordable Rental Housing by September 30, 2019. (projection is based upon $80MM over a 3-year period)	Ongoing objective.
– Complete the Monitoring/Evaluation of 100% of OCHFA’s existing MF portfolio by the end of December each year.	Ongoing objective: Recommend continuation
– Promote Refunding of Financially Feasible Rental Properties that maximizes long term affordability for low and moderate-income families (ongoing objective).	Ongoing objective: Recommend continuation
– Maximize Leveraging of New Volume Cap to serve the greatest number of low and moderate-income families or persons.	Ongoing objective: Recommend continuation
– Educate Owners/Developers and Sponsors of the advantages of Tax Exempt Financing and Timely Refunding.	Ongoing objective: Recommend continuation
– Provide incentives to Investors/ Developers to encourage preservation of affordable rental housing units.	Ongoing objective: Recommend continuation
– Induce any feasible project which is or will be owned by a qualified 501(c)(3) corporation (having an IRS determination letter which specifically qualifies the Non-Profit for Residential Housing Bond Financing).	Ongoing objective: Recommend continuation

GOAL 3

Foster new and enhance existing Public/Private Partnerships in Central ***Florida to maximize leveraging and effectiveness of OCHFA's resources over*** *the three-year period.*

EXISTING OBJECTIVES

1. Explore and, where feasible, enter into three (3) new financing partnerships that maximize leveraging OCHFA's resources.	Ongoing objective.
2. Conduct meetings to encourage joint venture partnerships with qualified 501(c)(3) non-profits and for-profit developers.	Ongoing objective: Recommend continuation • Conduct meeting with 501(c)(3) non-profit developers to explore development opportunities with other specialized development entities.
3. Seek opportunities to target OCHFA's homeownership resources to at least one economically depressed community, in partnership with local governments.	Ongoing objective: Recommend continuation
4. Participate in Partnerships with Orange County Government, City of Orlando, Seminole County, Lake County and Osceola County and Florida Housing Finance Corporation to create and preserve affordable housing by September 30, 2013.	Ongoing objective: Recommend continuation

GOAL 4

Further integration and enhancement of OCHFA's Operational, Financial and *Information Management System, enabling the Authority to achieve its mission through the most efficient utilization of resources.*

EXISTING OBJECTIVES

1. Evaluate Authority programs to determine performance and value to the Authority annually.	Ongoing objective: Recommend continuation
2. Develop and Publish an Annual Report for each fiscal year.	Ongoing objective: Recommend continuation
3. Ensure that mission related initiatives that represent a net cost to the Authority are continued only if the mission contribution is compelling and Authority has adequate resources to support the initiative.	Ongoing objective: Recommend continuation
4. Develop and maintain a Database Management System that integrates all program information relating to SF and MF programs to effectuate greater efficiency.	Ongoing objective: Recommend continuation
5. Evaluate annually computer technology needs to ensure continued hardware/software compatibility, as well as, product support in a fast pace technological environment.	Ongoing objective: Recommend continuation
6. Ensure the use of a specialized cyber security professional once a year to review the Authority's IT Virtual System for any vulnerabilities and implementation of recommendation(s) as necessary.	Ongoing objective.
7. Evaluate annually resource needs of the Authority in the face of increased financings and ever changing market environment.	Ongoing objective: Recommend continuation
8. Development of an organizational Succession Plan for key position(s).	Ongoing objective: Recommend continuation
9. Conduct in-house training(s) to provide continuing education in an ever changing tax-exempt bonds market and housing finance industry. (single and multi-family financing).	

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	February 27, 2018
RE:	**OCHFA CONSOLIDATED BALANCE SHEET FOR THE OPERATING FUND FOR THE PERIOD ENDING JANUARY 31, 2018.** MARCH 7, 2018 REGULAR BOARD OF DIRECTORS' MEETING.

Attached for your review is the OCHFA's Operating Fund Balance Sheet. The Operating Fund includes all funds namely: the General Fund, the Low Income Housing Fund, Replacement Reserve Fund, the In House Origination Program Fund and the Homeownership Assistance Program Fund.

The majority of the funds in the General Fund are invested in US Treasuries and GNMA's. The GNMA's yield approximately 5.308%. Part of the Authority's funds is invested in US Treasuries yielding 6.54% and Certificate of Deposits yielding 1.965%. The remaining funds are invested in the US Bank Money Market. The Authority earned an average of 1.195% interest income on all investments.

Orange County Housing Finance Authority

Operating Fund Balance Sheet

As of January 31, 2018

	GENERAL FUND	LOW INCOME HOUSING FUND	REPLACEMENT RESERVE FUND	IHOP FUND	HOMEOWNERSHIP ASSISTANCE FUND	COMBINED TOTALS
Assets						
Cash	4,117,590.28	1,184,027.74	0.00	0.00	588,855.37	5,890,473.39
* * * * * Investments	17,608,139.41	0.00	0.00	0.00	502,506.08	18,110,645.49
GNMA/FNMA Securities	2,414,007.41	0.00	0.00	0.00	0.00	2,414,007.41
Accounts Receivable	356,187.98	0.00	0.00	0.00	41,390.93	397,578.91
Loan Receivable	840,284.61	0.00	0.00	0.00	0.00	840,284.61
Notes Receivable	1,454,045.43	26,700.00	0.00	0.00	0.00	1,480,745.43
S/F 2014 A GNMA Collateral / Rcvbl	4,060,955.67	0.00	0.00	0.00	0.00	4,060,955.67
GF - FHLB GNMA Collateral / Rcvbl	3,450,367.33	0.00	0.00	0.00	0.00	3,450,367.33
Mortgage Receivable	0.00	383,124.98	0.00	0.00	5,436,974.89	5,820,099.87
* * * * Allowance for Doubtful Accounts	0.00	(325,416.89)	0.00	0.00	(958,149.38)	(1,283,566.27)
Investment Income Receivable	18,602.79	0.00	0.00	0.00	0.00	18,602.79
Mortgage & GNMA/FNMA Income Receivable	412,045.30	0.00	0.00	0.00	3,589.24	415,634.54
Interfund Receivable/Payable	12,645,846.76	4,775,793.63	0.00	0.00	(7,240,367.39)	10,181,273.00
Prepaid Expenses	537.13	0.00	0.00	0.00	(196.56)	340.57
Fixed Assets	319,410.08	0.00	0.00	0.00	0.00	319,410.08
Total Assets	47,698,020.18	6,044,229.46	0.00	0.00	(1,625,396.82)	52,116,852.82
Current liabilities:						
Other Payables	38,528.50	0.00	0.00	0.00	0.00	38,528.50
FRS Net Pension Liability	884,342.00	0.00	0.00	0.00	0.00	884,342.00
Accounts Payables	243,896.27	0.00	110.00	0.00	0.00	244,006.27
Total liabilities	1,166,766.77	0.00	110.00	0.00	0.00	1,166,876.77
Retained Earnings Previous Period	45,763,057.25	6,043,498.70	(80.00)	24,622.14	(1,675,397.37)	50,155,700.72
Net Income (Loss)	812,533.92	730.76	(30.00)	(24,622.14)	5,662.79	794,275.33
Total Liabilities & Retained Earnings	47,742,357.94	6,044,229.46	0.00	0.00	(1,669,734.58)	52,116,852.82

**** A reserve account is set up to allow for percentage of the Down Payment Assistance Notes Receivable to be recognized as doubtful accounts based on industry standards. (Approximately 3%). The actual notes receivable remain on the books while the doubtful account is set up as a contra asset account.

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	February 27, 2018
RE:	**OCHFA COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS FOR THE PERIOD ENDING JANUARY 31, 2018.** MARCH 7, 2018 REGULAR BOARD OF DIRECTORS' MEETING.

Attached for your review are the OCHFA's Operating Fund Statement of Revenues, Expenses, and Changes in Retained Earnings. The Operating Fund includes all funds namely: the General Fund, the Low Income Housing Fund, Program Fund, Replacement Reserve Fund, the In House Origination Program Fund and the Homeownership Assistance Program Fund.

Attachments

Orange County Housing Finance Authority

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings

For The 4 Periods Ending January 31, 2018

Operating Fund

	General Fund	Low Income Hsg Fund	Replacement Reserve Fund	IHOP Fund	Homeownership Assistance Fund	Current YTD
Revenue:						
Administrative Fees	461,582.51	0.00	0.00	0.00	0.00	461,582.51
Bond Financing Fees	428,891.00	0.00	0.00	0.00	0.00	428,891.00
* Intra Fund Revenue	27,865.16	0.00	0.00	0.00	0.00	27,865.16
Other Revenue	245,004.00	0.00	0.00	0.00	10.00	245,014.00
Investment Income	28,926.46	730.76	0.00	0.00	321.43	29,978.65
Income from Loans, GNMAs	130,734.86	0.00	0.00	0.00	5,259.57	135,994.43
Total Revenues	1,323,003.99	730.76	0.00	0.00	5,591.00	1,329,325.75
Expenses						
General and Administrative	507,272.54	0.00	30.00	30.00	-71.79	507,260.75
* Intra Fund Expense	0.00	0.00	0.00	24,592.14	0.00	24,592.14
Rebate Expense	2,700.00	0.00	0.00	0.00	0.00	2,700.00
Other Expenses	497.53	0.00	0.00	0.00	0.00	497.53
Total Expenses	510,470.07	0.00	30.00	24,622.14	-71.79	535,050.42
Net Income (Loss)	812,533.92	730.76	-30.00	-24,622.14	5,662.79	794,275.33
Retained Earnings Beginning of Year	45,763,057.25	6,043,498.70	-80.00	24,622.14	-1,675,397.37	50,155,700.72
Retained Earnings End of Year	**46,575,591.17**	**6,044,229.46**	**-110.00**	**0.00**	**(1,669,734.58)**	**50,949,976.05**

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

CONTACT: Olukayode Adetayo, Chief Financial Officer

DATE: February 27, 2018

RE: **OCHFA FISCAL YEAR 2018 OPERATING FUND – COMPARISON OF BUDGET VS. ACTUAL AS OF JANUARY 31, 2018.**
MARCH 7, 2018 REGULAR BOARD OF DIRECTORS' MEETING

Attached for your attention is the comparison of the Budgeted Revenues and Expenses for Fiscal Year 2018 vs. the Actual Revenues and Expenses for the period ending January 31, 2018.

Attachments

Orange County Housing Finance

Statement of Earnings

For The 4 Periods Ending January 31, 2018

	Fiscal Year 2018 Budget	Year To Date Revenue Received	Budget Remaining YTD	%age Budget Remaining YTD
Revenue:				
2007 SERIES B	$2,483	$0	$2,483	100%
2010 SERIES A	$7,410	$0	$7,410	100%
2011 SERIES A	$39,123	$9,305	$29,818	76%
2011 SERIES B	$14,206	$0	$14,206	100%
2014 SERIES A	$24,943	$0	$24,943	100%
WEST POINT VILLAS	$20,080	$9,910	$10,170	51%
OSPREY RIDGE	$13,120	$0	$13,120	100%
CHARLESTON CLUB APTS	$20,660	$10,130	$10,530	51%
GLEN ON MILLENIA	$14,420	$4,673	$9,747	68%
HANDS 2001 F	$9,920	$5,535	$4,385	44%
THE LANDINGS ON MILLENIA	$27,740	$0	$27,740	100%
MYSTIC COVE APTS	$15,660	$18,669	($3,009)	-19%
PALM GROVE GARDEN	$0	$4,389	($4,389)	
LEE VISTA APARTMENTS	$39,000	$19,200	$19,800	51%
COVE AT LADY LAKE	$25,155	$12,428	$12,728	51%
LAKESIDE POINTE APARTMENTS	$18,690	$9,345	$9,345	50%
ALTA WESTGATE APARTMENTS	$35,310	$0	$35,310	100%
LAKE HARRIS COVE APTS	$24,855	$12,353	$12,503	50%
CLUB AT EUSTIS	$13,620	$48,696	($35,076)	-258%
MARBELLA COVE	$12,555	$6,278	$6,278	50%
MARBELLA POINTE	$22,950	$11,475	$11,475	50%
OVIEDO TOWN CENTER PHASE I	$16,620	$0	$16,620	100%
OVIEDO TOWN CENTER PHASE II	$10,000	$0	$10,000	100%
OVIEDO TOWN CENTER PHASE III	$10,000	$0	$10,000	100%
OVIEDO TOWN CENTER PHASE IV	$10,000	$0	$10,000	100%
LAUREL OAKS I	$23,820	$0	$23,820	100%
LAUREL OAKS II	$21,990	$0	$21,990	100%
ROLLING ACRES I	$10,700	$5,313	$5,388	50%
ROLLING ACRES II	$10,000	$5,000	$5,000	50%
FOUNTAINS @ MILLENIA II	$10,000	$5,000	$5,000	50%
FOUNTAINS @ MILLENIA III	$10,463	$5,188	$5,275	50%
FOUNTAINS @ MILLENIA IV	$11,813	$5,863	$5,950	50%
SOUTHWINDS	$16,625	$8,313	$8,313	50%
POST VISTA POST FOUNTAINS	$18,420	$0	$18,420	100%
SPRING LAKE COVE I	$11,225	$5,488	$5,738	51%
SPRING LAKE COVE II	$10,000	$5,000	$5,000	50%
CHATHAM HARBOR APTS	$56,700	$34,020	$22,680	40%
CRESTWOOD APARTMENTS	$19,590	$9,720	$9,870	50%
LAKE SHERWOOD APARTMENTS	$16,695	$8,250	$8,445	51%
OAK HARBOR APARTMENTS	$22,920	$11,370	$11,550	50%
RIVER RIDGE APARTMENTS	$29,850	$14,805	$15,045	50%
SEVILLE PLACE APARTMENTS	$20,220	$10,035	$10,185	50%
NASSAU BAY APARTMENTS	$108,326	$53,978	$54,348	50%
DEAN WOODS APARTMENTS	$10,000	$5,000	$5,000	50%
LANDSTAR APARTMENTS	$42,000	$14,400	$27,600	66%
BUCHANAN BAY	$57,800	$20,174	$37,626	65%
GOLDENROD POINTE	$19,800	$5,904	$13,896	70%
WESTWOOD PARK APTS	$36,000	$24,750	$11,250	31%
VISTA PINES APTS	$0	$16,535	($16,535)	
HANDS	$7,230	$3,615	$3,615	50%
ALHAMBRA TRACE APTS	$2,960	$1,480	$1,480	50%
BOND FINANCING FEES	$187,500	$428,891	($241,391)	-129%
TRANSFER IN	$0	$27,865	($27,865)	
GAIN ON SALE OF GNMA'S	$200,000	$0	$200,000	100%
OTHER REVENUES	$395,000	$245,014	$149,986	38%
INV INCOME	$0	$2,454	($2,454)	
INV INCOME CD OPERATING FUND	$0	$1,839	($1,839)	

	INV INCOME FEDERATED MM	$374	$757	($382)	-102%
	INV INCOME US TREASURIES	$0	$24,929	($24,929)	
	FHLB HELD SECURITIES GNMA/FNMA INCOME	$0	$34,751	($34,751)	
	MORTGAGE INCOME HFA OF WINTER PARK	$9,000	$2,218	$6,782	75%
	INTEREST INCOME ON WESTLAKES PHASE I	$7,500	$1,875	$5,625	75%
	MORTGAGE INCOME HABITAT LOC	$5,700	$1,328	$4,372	77%
	MORTGAGE INCOME CITY VIEW LOAN PARTICIPATION	$4,000	$1,170	$2,830	71%
	GNMA/FNMA INCOME	$1,288,932	($19,763)	$1,308,695	102%
	MASTER ACC FUND GNMA/FNMA INCOME	$0	$109,155	($109,155)	
	2006 A DPA MORTGAGE INTEREST	$600	$145	$455	76%
	2006 A 1 DPA MORTGAGE INTEREST	$2,100	$602	$1,498	71%
	2007 A DPA MORTGAGE INTEREST	$9,100	$1,841	$7,259	80%
	2007 B DPA MORTGAGE INTEREST	$11,500	$2,599	$8,901	77%
	2009 A NIBP DPA MORTGAGE INTEREST	$500	$73	$427	85%
		$3,175,472	$1,329,326	$1,846,146	58%
		Fiscal Year 2018 Budget	**Year To Date Expenses Incurred**	**Budget Remaining YTD**	**%age Budget Remaining YTD**
Costs and expenses:					
	SALARIES AND WAGES	$908,423	$329,462	$578,961	64%
	SHIPPING	$3,000	$865	$2,135	71%
	TRAVEL/CONFERENCE/ TRAINING	$30,000	$2,438	$27,562	92%
	CASUAL LABOR/STUDENT ASST.	$2,000	$0	$2,000	100%
	OFFICE MAINTENANCE	$19,000	$7,483	$11,517	61%
	BUILDING MAINTENANCE	$15,000	$2,458	$12,542	84%
	TELEPHONE	$15,000	$4,447	$10,553	70%
	POSTAGE	$3,000	$525	$2,475	83%
	OFFICE SUPPLIES	$10,000	$1,652	$8,348	83%
	OFFICE FURNITURE	$1,000	$3,821	($2,821)	-282%
	PUBLICATIONS	$2,000	$1,185	$815	41%
	PRINTING/ANNUAL REPORT	$7,000	$0	$7,000	100%
	EQUIPMENT / COMPUTER / PRINTER	$10,000	$2,106	$7,894	79%
	MARKETING	$30,000	$2,936	$27,064	90%
	CONTRACTOR SERVICES	$25,000	$923	$24,078	96%
	SEMINARS/EDUCATION	$10,000	$4,585	$5,415	54%
	EMPLOYEE BENEFITS HEALTH/LIFE	$115,000	$42,504	$72,496	63%
	UNEMPLOYMENT COMPENSATION	$2,000	$0	$2,000	100%
	OTHER INSURANCE & TAXES	$800	$748	$52	6%
	ANNUAL AUDIT	$50,000	$19,500	$30,500	61%
	LEGAL ADVERTISING	$5,000	$1,109	$3,891	78%
	LEGAL FEES	$15,000	$9,379	$5,621	37%
	MEMBERSHIP	$7,000	$1,650	$5,350	76%
	PAYROLL TAXES	$69,376	$22,942	$46,435	67%
	MISCELLANEOUS EXPENSE	$6,000	$320	$5,680	95%
	LOSS ON DPA FORECLOSURES	$0	($7,720)	$7,720	
	FLORIDA RETIREMENT SYSTEM	$79,906	$52,669	$27,237	34%
	457 DEFERRED COMP EMPLOYER CONTRIBUTION EXP	$66,421	$35,371	$31,051	47%
	LIMITED HRA	$9,300	$2,489	$6,811	73%
	TERM LEAVE	$25,000	$0	$25,000	100%
	FILE STORAGE	$1,500	$336	$1,164	78%
	LOCAL MILEAGE REIMBURSEMENT	$2,000	$178	$1,822	91%
	EQUIPMENT MAINTENANCE	$2,500	$1,232	$1,268	51%
	INSURANCE COVERAGES	$50,000	$19,647	$30,353	61%
	RESERVE FOR REPLACEMENT BLDG	$5,000	$0	$5,000	100%
	TRANSFER OUT	$0	$24,592	($24,592)	
	FINANCIAL ADVISORY SERVICES	$25,000	$14,792	$10,208	41%
	PERFORMACE AWARD PROGRAM	$111,959	$26,257	$85,702	77%
	CUSTODY FEE	$3,000	$3,381	($381)	-13%
	ADMIN EXPENSE BANK/TRUSTEE	$1,000	$120	$880	88%
	REBATE FEE EXPENSE	$8,000	$2,700	$5,300	66%
	OPERATING CONTINGENCY RESERVE	$20,000	$0	$20,000	100%
	1994 EXCESS GNMA INTEREST EXP	$0	$330	($330)	
	1995 EXCESS GNMA INTEREST EXP	$0	$167	($167)	
		$1,771,186	$639,580	$1,131,606	64%

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	February 27, 2018
RE:	**OCHFA FISCAL YEAR 2018, OPERATING FUND – COMPARISON OF ACTUAL REVENUES AND EXPENSES FOR THE PERIODS ENDING JANUARY 31, 2017 AND JANUARY 31, 2018.** MARCH 7, 2018 REGULAR BOARD OF DIRECTORS' MEETING

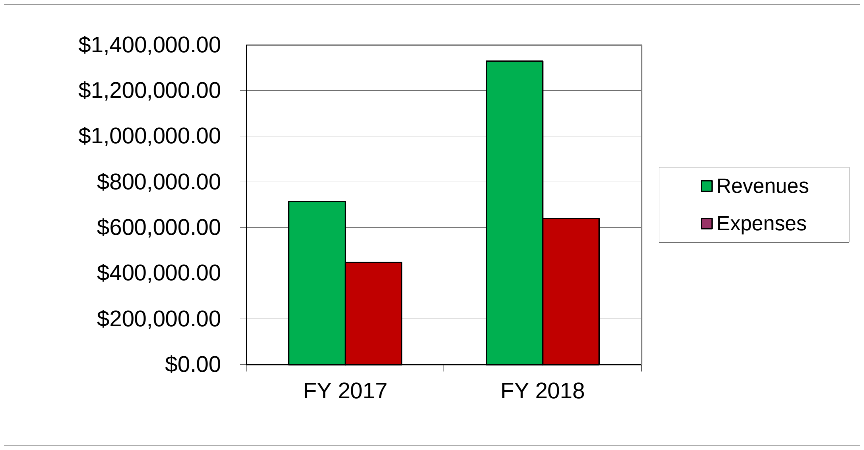
Attached for your review is the comparison of the Actual Revenues and Expenses for the periods ending January 31, 2017 and January 31, 2018.

Attachments

Actual Revenues and Expenses Comparison
For the Period Ending January 31, 2018

	FY 2017	FY 2018	% Δ
Revenues	$714,423.00	$1,329,326.00	86%
Expenses	$447,556.00	$639,580.00	43%

Revenues increased significantly this year compared with last year's. This is due to the receipt of Municipal Derivatives Settlement ($244,779) and the receipt of Short Term Bond Financing Fees ($272,144) for Landon Pointe, and final LURA fees for Club @ Eustis ($48,696). The overall change in revenues is 86%. Overall expenses increased significantly. This is due to the hiring of a new CFO and the previous CFO retiring causing unusual expenses related to retirement. The overall change in expenses is 43%.



ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

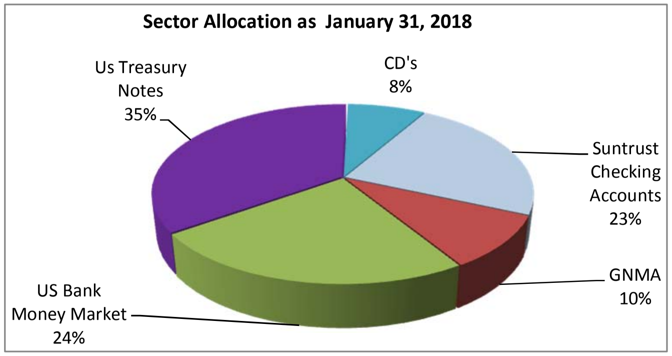
TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Olukayode Adetayo, Chief Financial Officer
DATE:	February 27, 2018
RE:	**SUMMARY OF OCHFA'S OPERATING FUND INVESTMENTS.** MARCH 7, 2018 REGULAR BOARD OF DIRECTORS' MEETING

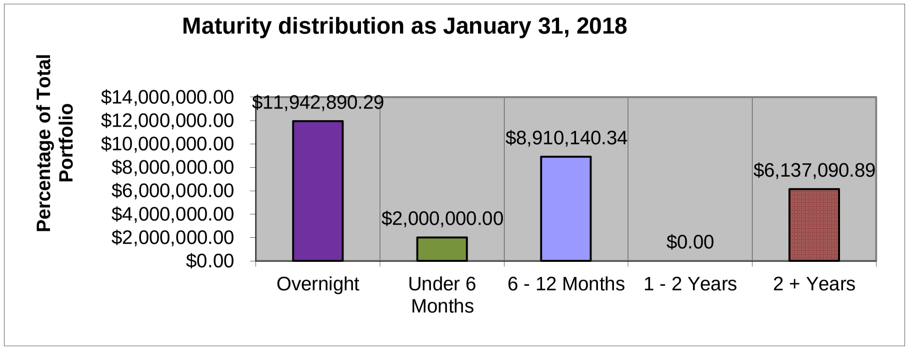
As of January 31, 2018 the total investments in the Operating Fund of the Orange County Housing Finance Authority was $28,990,121.52 producing an average yield of 1.195% as shown in the Summary of Accounts. If you have any questions on this matter do not hesitate to ask me.

Attachments

Orange County Housing Finance Authority
Summary of Accounts
as of January 31, 2018

Account	Account #	Institution	Ending Balance¹	Net Interest Earned¹	Average Yield (Annualized)¹
Operating Fund	215252054184-000	Suntrust Bank	$4,117,381.67	$0.00	0.0000%
Low Income Housing Fund	215252054192-000	Suntrust Bank	$1,184,027.74	$0.00	0.0000%
Homeownership Assistance Fund	1000042656834	Suntrust Bank	$588,855.37	$0.00	0.0000%
Custody Account	129142000	US Bank Money Market	$5,592,408.47	$691.09	0.0075%
Custody Account	129142000	US Treasury Note	$8,910,140.34	$15,663.75	6.5400%
Custody Account	129142000	Certificates of Deposit	$2,000,000.00	$1,839.10	1.9650%
Custody Account	129142000	GNMA - OCHFA Investment	$2,414,007.41	$10,596.07	5.3080%
Custody Account	141763000	US Bank Money Market /NIBP	$460,217.04	$78.23	0.0075%
FHLB Collateral	28786	FHLBank Atlanta	$636,725.84	$0.00	5.4900%
FHLB Tranch 2	28786	FHLBank Atlanta	$3,086,357.64	$0.00	3.5000%
Total			$28,990,121.52	$28,868.24	1.195%





Liquidity **$11,942,890.29**

Note:
1. Ending Bal., Net Int. Earned, Avg. Yields shown above are recorded directly from month-end accts statements provided by respective institutions.

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Frantz Dutes, Director Program Operations
DATE:	February 27, 2018
RE:	**STATUS REPORT: 2017-A HOMEOWNER REVENUE BOND PROGRAM; HARDEST HIT FUND PROGRAM** MARCH 7, 2018 REGULAR BOARD OF DIRECTORS' MEETING.

BACKGROUND

The **Authority's SERIES** 2017-A Homeowner Revenue Bonds Program was authorized by the Board on September 6, 2017 for the aggregate principal amount not-to-exceed TWENTY MILLION DOLLARS ($20MM) of Homeowner Revenue Bond Program proceeds. The Board authorized Staff to begin a pipeline of loans for future issuance. The 2017A (HRB) Program offers a 30-year loan product. The Down Payment assistance (DPA) is currently at $7,500.00 and is a 30-year deferred loan at 0% interest.

PRODUCTS	INTEREST RATES	ORIGINATION FEE
Zero Point	4.750%	1%

Commencing from the initial reservation date there is an aggregate total of EIGHTEEN MILLION SIX HUNDRED SEVENTY FIVE THOUSAND FIVE HUNDRED NINETY FIVE DOLLARS ($18,675,595) committed. As of February 27, 2018, there are a total of One Hundred Forty Nine (149) loans originated: 140-FHA; 1-VA; 8-USDA-RD. The Authority's Down Payment Assistance Program (DPA) has committed an aggregate total of: ONE MILLION ONE HUNDRED SIXTEEN THOUSAND ONE DOLLARS ($1,116,001). The 2017A loan origination activity reported has been adjusted by FOUR MILLION FOUR HUNDRED FIFTY ONE THOUSAND ELEVEN DOLLARS ($4,451,011). It is important to note that the loan origination activity reported reflects a total of TWENTY THREE MILLION ONE HUNDRED TWENTY SIX THOUSAND SIX HUNDRED SIX DOLLARS ($23,126,606) which includes the 2014A, and 2017A bond issues. The reporting system used by our Program Administrator is unable to prorate these loans between the two bond issues. Consequently, they were all reported in the loan origination activity for the 2017A bond issue.

The Reservation Period start date was October 18, 2017, and Final Delivery end date is March 15, 2019.

The **Authority's Hardest Hit Fund (HHF) Program** was authorized by the board on April 5, 2017. Florida Housing has agreed to make available a portion of the HHF for to a limited number of local Housing Finance Authorities including OCHFA. The funds provided are used as a source of DPA, and closing costs to be provided to qualified homebuyers in connection with first mortgage loans originated by OCHFA. To date OCHFA has originated seventeen (17) FHA loans for the sum of TWO MILLION EIGHT HUNDRED NINETY FOUR THOUSAND THREE HUNDRED FORTY THREE DOLLARS ($2,894,343).

ACTION REQUESTED: For information only.

Orange County HFA

Demographic Analysis Report

Orange DPA 2017

ORIGINATION SUMMARY REPORT

ORIGINATOR SUMMARY	LOANS	AMOUNT	% OF TOTAL
DHI Mortgage Co., Ltd.	15	$2,478,086.00	10.07%
Eagle Home Mortgage, LLC.	3	$459,881.00	2.01%
Embrace Home Loans, Inc.	78	$11,114,521.00	52.35%
Equity Prime Mortgage, LLC.	12	$2,196,063.00	8.05%
Fairway Independent Mortgage Corporation	2	$362,050.00	1.34%
FBC Mortgage	26	$4,351,474.00	17.45%
Hamilton Group Funding, Inc	7	$971,780.00	4.70%
Home Community Mortgage, LLC	3	$646,486.00	2.01%
HomeBridge Financial Services Inc.	1	$201,623.00	0.67%
Movement Mortgage, LLC	1	$129,609.00	0.67%
Shelter Mortgage Company, LLC	1	$215,033.00	0.67%
TOTAL	**149**	**$23,126,606.00**	**100.00%**

CITY SUMMARY

CITY	LOANS	AMOUNT	% OF TOTAL
Altamonte Springs	6	$980,903.00	4.03%
Apopka	6	$1,115,576.00	4.03%
Casselberry	6	$1,014,781.00	4.03%
Clermont	5	$815,813.00	3.36%
Eustis	1	$194,403.00	0.67%
Fruitland Park	1	$146,173.00	0.67%
Groveland	4	$755,303.00	2.68%
Kissimmee	18	$2,495,668.00	12.08%
Leesburg	6	$848,212.00	4.03%
Maitland	2	$433,012.00	1.34%
Mascotte	4	$640,218.00	2.68%
Minneola	1	$171,830.00	0.67%
Mount Dora	2	$356,468.00	1.34%
Ocoee	7	$1,242,967.00	4.70%
Orlando	41	$5,610,255.00	27.52%
Oviedo	3	$609,406.00	2.01%
Saint Cloud	15	$2,637,397.00	10.07%
Sanford	7	$879,752.00	4.70%
Sorrento	1	$146,202.00	0.67%
Tavares	9	$1,471,113.00	6.04%
Winter Park	1	$122,100.00	0.67%
Winter Springs	3	$439,054.00	2.01%
TOTAL	**149**	**$23,126,606.00**	**100.00%**

COUNTY SUMMARY

COUNTY	LOANS	AMOUNT	% OF TOTAL
Lake	34	$5,545,735.00	22.82%
Orange	58	$8,682,138.00	38.93%
Osceola	31	$4,794,707.00	20.81%
Seminole	26	$4,104,026.00	17.45%
TOTAL	**149**	**$23,126,606.00**	**100.00%**

HOUSEHOLD ANNUAL INCOME REPORT

ANNUAL INCOME	LOANS	% OF TOTAL
$15,000-$29,999	8	5.37%
$30,000-$44,999	37	24.83%
$45,000-$59,999	52	34.90%
$60,000-$74,999	46	30.87%
$75,000-$89,999	6	4.03%
TOTAL	**149**	**100.00%**

HOUSEHOLD SIZE REPORT

HOUSEHOLD SIZE	LOANS	% OF TOTAL
1 - One person	39	26.17%
2 - Two persons	26	17.45%
3 - Three persons	40	26.85%
4 - Four persons	30	20.13%
5 - Five persons	10	6.71%
6 - Six persons	3	2.01%
7 - Seven persons	1	0.67%
TOTAL	**149**	**100.00%**

LOAN AMOUNT REPORT

LOAN AMOUNT	LOANS	% OF TOTAL
$50,000-$75,000	4	2.68%
$75,000-$100,000	14	9.40%
$100,000-$125,000	22	14.77%
$125,000-$150,000	36	24.16%
$150,000-$175,000	25	16.78%
$175,000-$200,000	18	12.08%
$200,000-$225,000	16	10.74%
$225,000-$250,000	12	8.05%
$250,000-$275,000	2	1.34%
TOTAL	**149**	**100.00%**

PURCHASE PRICE REPORT

PURCHASE PRICE	LOANS	% OF TOTAL
$50,000-$75,000	4	2.68%
$75,000-$100,000	11	7.38%
$100,000-$125,000	21	14.09%
$125,000-$150,000	33	22.15%
$150,000-$175,000	29	19.46%
$175,000-$200,000	20	13.42%
$200,000-$225,000	17	11.41%
$225,000-$250,000	11	7.38%
$250,000-$275,000	3	2.01%
TOTAL	**149**	**100.00%**

LOAN TYPE REPORT

LOAN TYPE	LOANS	% OF TOTAL
FHA	140	93.96%
USDA-RHS	8	5.37%
VA	1	0.67%
TOTAL	**149**	**100.00%**

PROPERTY TYPE REPORT

PROPERTY TYPE	LOANS	% OF TOTAL
1 Unit Single Family Detached	135	90.60%
Condominium	2	1.34%
Duplex w/approval	1	0.67%
Townhouse	11	7.38%
TOTAL	**149**	**100.00%**

CATEGORY TYPE REPORT

TYPE	LOANS	% OF TOTAL
Existing	120	80.54%
New	29	19.46%
Unspecified	0	0.00%
TOTAL	**149**	**100.00%**

TARGET/NON TARGET REPORT

TYPE	LOANS	AMOUNT	% OF TOTAL
TARGET	0	$0.00	0.00%
NON TARGET	149	$23,126,606.00	100.00%
TOTAL	**149**	**$23,126,606.00**	**100.00%**

INTEREST RATE LISTING REPORT

RATE	COUNT	AMOUNT	% OF TOTAL
3.7500%	63	$9,857,798.00	42.28%
3.9900%	1	$122,735.00	0.67%
4.0000%	22	$3,855,834.00	14.77%
4.1500%	35	$5,395,121.00	23.49%
4.3750%	28	$3,895,118.00	18.79%
TOTAL	**149**	**$23,126,606.00**	**100.00%**

INTEREST RATE RANGES REPORT

RATE	LOANS	% OF TOTAL
3.7500% - 3.9900%	64	42.95%
4.0000% - 4.2400%	57	38.26%
4.2500% - 4.4900%	28	18.79%
TOTAL	**149**	**100.00%**

FIRST TIME HOMEBUYER REPORT

FIRST TIME HOMEBUYER	LOANS	% OF TOTAL
No	0	0.00%
Yes	149	100.00%
TOTAL	**149**	**100.00%**

ADDITIONAL MORTGAGE REPORT

ADDTL MTG PROGRAM \ PRIMARY MTG PROGRAM	LOANS	AMOUNT	AVERAGE LOAN AMOUNT
Orange DPA 2017 \ Orange 2017A SF Program	149	$1,116,001.00	$7,489.94

GENDER REPORT

GENDER	LOANS	% OF TOTAL
MALE	90	60.40%
FEMALE	59	39.60%
UNDISCLOSED	0	0.00%
TOTAL	**149**	**100.00%**

RACE REPORT

DESCRIPTION	LOANS	% OF TOTAL
Asian	5	3.36%
Black/ African American	24	16.11%
Black/African American & White	1	0.67%
Native Hawaiian/Other Pacific Islander	1	0.67%
Tenant Declined to Respond	6	4.03%
White	112	75.17%
TOTAL	**149**	**100.00%**

ETHNICITY REPORT

ETHNICITY	LOANS	AMOUNT	% OF TOTAL
HISPANIC	77	$12,161,015.00	51.68%
NON HISPANIC	69	$10,427,450.00	46.31%
OTHER	3	$538,141.00	2.01%
TOTAL	**149**	**$23,126,606.00**	**100.00%**

RACE BY ETHNICITY REPORT

RACE	HISPANIC	NONHISPANIC	OTHER	LOANS	% OF TOTAL
Asian	0	5	0	5	3.36%
Black/ African American	0	24	0	24	16.11%
Black/African American & White	0	1	0	1	0.67%
Native Hawaiian/Other Pacific Islander	0	1	0	1	0.67%
Tenant Declined to Respond	1	2	3	6	4.03%
White	76	36	0	112	75.17%
TOTAL	**77**	**69**	**3**	**149**	**100.00%**

PIPELINE REPORT

PROGRAM PIPELINE	LOANS	AMOUNT	% OF TOTAL
Reservation	2	$425,043.00	1.34%
UW Certification	2	$373,116.00	1.34%
eHP Compliance	1	$233,197.00	0.67%
Purchased/Servicer	2	$348,253.00	1.34%
Investor/Trustee	142	$21,746,997.00	95.30%
TOTAL	**149**	**$23,126,606.00**	**100.00%**

PROGRAM SUMMARY

AVERAGE PRINCIPAL MORTGAGE:	$155,212.12
AVERAGE PURCHASE PRICE:	$158,293.97
AVERAGE DPA AMOUNT:	$7,489.94
AVERAGE AGE OF PRIMARY BORROWER:	39
AVERAGE HOUSEHOLD SIZE:	2
AVERAGE EMPLOYED IN HOUSEHOLD:	1
AVERAGE HOUSEHOLD ANNUAL INCOME:	$52,474.66

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

CONSENT ITEM

MEMORANDUM

TO:	OCHFA Board of Directors
FROM:	W.D. Morris, Executive Director
CONTACT:	Mildred Guzman, Administrator, Multi-Family Program
DATE:	February 28, 2018
RE:	**MULTI-FAMILY OCCUPANCY/ INSPECTION REPORT** MARCH 7, 2018 - REGULAR BOARD OF DIRECTORS' MEETING.

OCCUPANCY REPORT

The average occupancy rate for the period of 1/26/2018 to 2/22/2018 was 98% for all units and 93% for units meeting set-aside requirements.

Multi-Family Rental Occupancy and Set-aside Summary - A summary of the occupancy and set-aside average rates for each period by property is provided.

MULTI-FAMILY INSPECTION REPORT

Three audits were conducted during the month of February: Boca Vista, Landings at Millennia and Lee Vista Club Apartments. Copy of each report is included for your information.

ACTION REQUESTED

For information only.

Multi-Family Occupancy Report

BeginReportingPeriod: **1 /26/2018** EndReportingPeriod: **2 /22/2018**

					Low Income:				
Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Occupied Unit	Occup. %	Prior Month Occup.%	Flag%	Comments
Alta Westgate Apts, Active 6872 Alta West Drive, Orlando	240	236	98%	99%	236	98%	99%	40%	
Anderson Oaks, Active 708 Anderson St, Orlando	12	12	100%	100%	12	100%	100%	100%	
Boca Vista, Active 545 Nantucket Court, Altamonte Springs	324	304	94%	93%	66	20%	20%	20%	
Charleston Club Apts, Active 500 Fox Quarry Lane, Sanford	288	285	99%	100%	242	84%	85%	40%	
City View (west church st), Active 595 West Church Street, Orlando	266	251	94%	96%	87	33%	43%	40%	
Club at Eustis, Active 2750 David Walker Dr, Eustis	96	96	100%	100%	96	100%	100%	40%	
Cove at Lady Lake, Active 735 S. Hwy 27/441, Lady Lake	176	170	97%	97%	170	97%	97%	40%	
Dean Woods, Active 9808 Dean Woods Place, Orlando	48	48	100%	100%	48	100%	100%	100%	
Delaney Apartments, Active 507 Delaney Avenue, Orlando	8	8	100%	100%	8	100%	100%	100%	
Emerald Villas (fka Seville Place), 5450 Cholla Way, Orlando	264	262	99%	99%	262	99%	99%	40%	
Fountains at Lee Vista, Active 5743 Bent Pine Dr, Orlando	508	482	95%	96%	274	54%	54%	31%	
Fountains at Millenia II, Active 5316 Millenia Blvd., Orlando	32	32	100%	100%	32	100%	100%	40%	
Fountains at Millenia III, Active 5316 Millenia Blvd., Orlando	82	82	100%	100%	82	100%	100%	40%	

					Low Income:				
Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Occupied Unit	Occup. %	Prior Month Occup.%	Flag%	Comments
Fountains at Millenia IV, Active 5316 Millenia Blvd, Orlando	100	99	99%	99%	99	99%	99%	40%	
Glenn on Millenia, Active 5202 Millenia Boulevard, Orlando	192	190	99%	99%	170	89%	89%	40%	
Goldenrod Pointe, Active 3500 N Goldenrod Road, Orlando	70	70	100%	100%	70	100%	100%	60%	
Governors Manor, Active 2861 LB McLeod Rd, Orlando	120	120	100%	100%	120	100%	100%	75%	
Green Gables, Active 5201 Via Alizar Dr, Orlando	95	94	99%	98%	94	99%	98%	100%	
Kensington Oaks, Active 440 S. Mellonville Ave, Sanford	20	20	100%	100%	20	100%	100%	75%	
Lake Davis Apartments, Active 1301 Catherine Street, Orlando	36	36	100%	100%	36	100%	100%	75%	
Lake Harris Cove Apts, Active 32511 Lake Harris Cove Avenue, Leesburg	152	151	99%	99%	116	76%	75%	40%	
Lake Jennie I, Active 1301 Santa Barbara Dr, Sanford	25	25	100%	100%	25	100%	100%	75%	
Lake Jennie II, Active 1312 Santa Barbara Dr, Sanford	40	38	95%	95%	38	95%	95%	75%	
Lake Sherwood Apartments, Activ 1826 London Crest Drive, Orlando	90	90	100%	98%	90	100%	98%	40%	
Lakeside Pointe(Harris Cove), Acti 1403 Old Harbor Blvd., Leesburg	128	123	96%	100%	123	96%	100%	40%	
Lancaster Villas, Active 800 W. Lancaster Rd, Orlando	145	144	99%	99%	144	99%	99%	100%	
Landings at Carver Park, Active 1150 Conley Street, Orlando	56	56	100%	98%	56	100%	98%	40%	
Landings at Millennia, Active 5150 Millenia Boulevard, Orlando	336	330	98%	98%	253	75%	75%	40%	

Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Low Income: Occupied Unit	Low Income: Occup. %	Low Income: Prior Month Occup.%	Flag%	Comments
Landon Pointe Apartments, Active 1705 Grande Pointe Avenue, Orlando, FL 32839	276	276	100%	100%	276	100%	100%		
Landon Trace Apartments, Active 1813 Buchanan Bay Circle, Orlando	228	217	95%	96%	217	95%	96%	100%	
Landstar Park Apts, Active 1001 Landstar Drive, Orlando	156	155	99%	99%	155	99%	99%	40%	
Laurel Oaks I, Active 2700 Laurel Hollow Dr., Leesburg	144	137	95%	100%	137	95%	100%	40%	
Laurel Oaks II, Active 2700 Laurel Hollow Dr., Leesburg	108	107	99%	100%	107	99%	100%	40%	
Lee Vista Club Apartments, Active 5903 Lee Vista Blvd, Orlando	312	312	100%	99%	312	100%	99%	40%	
Marbella Cove, Active 7528 Marbella Pt. Drive, Orlando	104	104	100%	99%	104	100%	99%	0%	
Marbella Pointe, Active 7528 Marbella Pt. Drive, Orlando	120	120	100%	99%	120	100%	99%	40%	
Mendel Villas, Active 3538 Aristotle Ave, Orlando	32	30	94%	94%	30	94%	94%	100%	
Mystic Cove Apartments, Active 2780 Mystic Lake Drive, Oviedo	184	184	100%	100%	184	100%	100%	40%	
Nassau Bay Apartments, Active 5200 North Orange Blossom Trail, Orlando	492	488	99%	99%	488	99%	99%	100%	
Oak Harbor Apartments, Active 5770 Harbor Chase Circle, Orlando,	176	175	99%	99%	175	99%	99%	20%	
Oviedo Town Center Ph IV, Active 450 Fontana Circle #105, Oviedo	24	24	100%	100%	24	100%	100%	40%	
Oviedo Town Center Ph. I, Active 450 Fontana Circle #105, Oviedo	106	106	100%	100%	106	100%	100%	40%	
Oviedo Town Ph. II, Active 450 Fontana circle #105, Oviedo	34	34	100%	100%	34	100%	100%	40%	

					Low Income:				
Property: (Status, Address)	Total Units	Occupied Units	Occup. %	Prior Month Occu%	Occupied Unit	Occup. %	Prior Month Occup.%	Flag%	Comments
Oviedo Town Ph. III, Active 450 Fontana circle #105, Oviedo	72	72	100%	99%	72	100%	99%	40%	
Palm Groves Gardens, Active 3944 W.D. Judge Drive, Orlando	142	126	89%	89%	126	89%	89%	75%	16 units under rehab will be ready by end of March
Pebble Creek, Active 1317 Boulder Dr, Kissimmee	72	72	100%	100%	72	100%	100%	100%	
River Ridge Apartment Homes, Act 9957 Hidden River Drive #106, Orlando	160	160	100%	100%	160	100%	100%	40%	
Rolling Acres I, Active 824 CrR 466, Lady Lake	104	101	97%	95%	101	97%	95%	40%	
Rolling Acres II, Active 824 CR 466, Lady Lake	35	35	100%	100%	35	100%	100%	40%	
SouthWinds Cove, Active 3400 Southwinds Cove Way, Leesburg	112	112	100%	97%	90	80%	79%	40%	
Spring Lake Cove I, Active 1508 Spring Lake Cove Lane, Fruitland Park	96	90	94%	95%	71	74%	75%	40%	
Spring Lake Cove II, Active 1508 Spring Lake Cove Lane, Fruitland Park	48	45	94%	98%	45	94%	98%	40%	
Summit Crestwood Apartments, A 3121 Crestwood Circle, St. Cloud	216	216	100%	100%	216	100%	100%	40%	
Total Units:	**7,502**								
Current Period Summary:		**7,352**	**98%**		**6,526**	**93%**			
Prior Period Summary:		**7,358**	**98%**		**6,553**	**93%**			

Total Number of Properties: **53**

ORANGE COUNTY HOUSING FINANCE AUTHORITY
2211 E. HILLCREST STREET, ORLANDO, FL. 32803
PH: (407)894-0014 FAX: (407)897-6679

ON-SITE PROPERTY EXAMINATION

Boca Vista
545 Nantucket Court
Altamonte Springs, FL

Audit Date: 2/15/2018
Audit Time: 10:00:00 AM
Set Aside Restriction: 20.00%

Total Units: 324

Property Rental Pricing

Efficiency:	1Bedroom:	2 Bedrooms:	3 Bedrooms	4 Bedrooms
$	$ 775	$ 1095	$	$

Management Company: ZRS- ZOM RESIDENTIAL SERVICES, INC.

Manager Assisting: Ashley Leon

File Examination Conclusion: 30 Days Cure Required for File Condition: No

Twenty percent (20%) of the lower and eligible resident files were reviewed to determine compliance with the Bond Program Requirements. The following result was found:

No discrepancies were found.

Examiner: Mildred Guzman

2/28/2018
Date of Preparation

Acknowledge Receipt and Return

Report Distribution: Michelle Phillips, Resident Manager
Michelle Phillips - ZRS- ZOM RESIDENT

ORANGE COUNTY HOUSING FINANCE AUTHORITY
2211 E. HILLCREST STREET, ORLANDO, FL. 32803
PH: (407)894-0014 FAX: (407)897-6679

Boca Vista

Audit Date: 2/15/2018

Examine Areas:	**Result:**
1. Buildings	Acceptable
2. Walks Driveways	Acceptable
3. Steps	Acceptable
4. Porches	Acceptable
5. Windows	Acceptable
6. Roof	Acceptable
7. Fence	Acceptable
8. Landscaping	Acceptable
9. Amenities	Acceptable

Includes: *Balconies/Lanai's, Car care center, Fireplace, Picnic/BBQ area, Playground, Pool, Tennis Court, W&D hookup, W&D in-unit*

10. Unit Condition Acceptable

Inspected Unit: *U-308*

30-Day Cure Required for Exterior Conditions No

AdditionalComments:

NOTICE: These inspections are made for the Authority's use only and in no way are intended to benefit bondholders, residents, or any other person or entity. Moreover, these inspections are superficial only and do not represent the work-product of any environmental engineers, structural engineers, or other engineering professionals and are not to be relied upon by any person or entity.

ORANGE COUNTY HOUSING FINANCE AUTHORITY
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ON-SITE PROPERTY EXAMINATION

Landings at Millennia
5150 Millenia Boulevard
Orlando, FL 32839-

Audit Date: 2/21/2018
Audit Time: 10:00:00 AM
Set Aside Restriction: 40.00%

Total Units: 336

Property Rental Pricing

Efficiency:	1Bedroom:	2 Bedrooms:	3 Bedrooms	4 Bedrooms
$	$ 623	$ 737	$ 845	$ 932

Management Company: Concord Management
Manager Assisting: Jeannette Moya

File Examination Conclusion: 30 Days Cure Required for File Condition: No

Twenty percent (20%) of the lower and eligible resident files were reviewed to determine compliance with the Bond Program Requirements. The following result was found:

No discrepancies were found.

2/28/2018

Examiner: Mildred Guzman
Date of Preparation

Acknowledge Receipt and Return

Report Distribution: , Resident Manager
Tammy Rumrill - Concord Management

Landings at Millennia

Audit Date: 2/21/2018

Examine Areas:	**Result:**
1. Buildings	Acceptable
2. Walks Driveways	Acceptable
3. Steps	Acceptable
4. Porches	Acceptable
5. Windows	Acceptable
6. Roof	Acceptable
7. Fence	Acceptable
8. Landscaping	Acceptable
9. Amenities	Acceptable

Includes: *Swimming pool, exercise room, tot lot, "sport" court, Monster Club, computer lab, home purchase program*

10. Unit Condition 0

Inspected Unit: *None available*

30-Day Cure Required for Exterior Conditions No

AdditionalComments:

Property was 100% occupied at the time of the audit.

NOTICE: These inspections are made for the Authority's use only and in no way are intended to benefit bondholders, residents, or any other person or entity. Moreover, these inspections are superficial only and do not represent the work-product of any environmental engineers, structural engineers, or other engineering professionals and are not to be relied upon by any person or entity.

ORANGE COUNTY HOUSING FINANCE AUTHORITY
2211 E. HILLCREST STREET, ORLANDO, FL. 32803
PH: (407)894-0014 FAX: (407)897-6679

ON-SITE PROPERTY EXAMINATION

Lee Vista Club Apartments
5903 Lee Vista Blvd
Orlando, FL 32822-

Audit Date: 2/14/2018
Audit Time: 10:00:00 AM
Set Aside Restriction: 40.00%

Total Units: 312

Property Rental Pricing

Efficiency:	1Bedroom:	2 Bedrooms:	3 Bedrooms	4 Bedrooms
$	$ 609	$ 708	$ 810	$ 883

Management Company: Concord Management
Manager Assisting: Jaime Pereira

File Examination Conclusion: 30 Days Cure Required for File Condition: No

Twenty percent (20%) of the lower and eligible resident files were reviewed to determine compliance with the Bond Program Requirements. The following result was found:

No discrepancies were found.

Examiner: Mildred Guzman

2/28/2018
Date of Preparation

Acknowledge Receipt and Return

Report Distribution: Christina Mares, Resident Manager
Tammy Rumrill - Concord Management

Lee Vista Club Apartments

Audit Date: 2/14/2018

Examine Areas:	**Result:**
1. Buildings	Acceptable
2. Walks Driveways	Acceptable
3. Steps	Acceptable
4. Porches	Acceptable
5. Windows	Acceptable
6. Roof	Acceptable
7. Fence	Acceptable
8. Landscaping	Acceptable
9. Amenities	Acceptable

Includes: *swimming pool, playground/tot lot, car care center and outdoor volleyball court.*

10. Unit Condition 0

Inspected Unit: *None available*

30-Day Cure Required for Exterior Conditions No

AdditionalComments:

Property was 100% occupied at the time of the audit.

NOTICE: These inspections are made for the Authority's use only and in no way are intended to benefit bondholders, residents, or any other person or entity. Moreover, these inspections are superficial only and do not represent the work-product of any environmental engineers, structural engineers, or other engineering professionals and are not to be relied upon by any person or entity.

ORANGE COUNTY
HOUSING FINANCE AUTHORITY

W.D. MORRIS
EXECUTIVE DIRECTOR

DISCUSSION ITEM

MEMORANDUM

TO: OCHFA Board of Directors

FROM: W.D. Morris, Executive Director

DATE: February 20, 2018

RE: **CONSIDER APPROVAL AND ADOPTION OF FISCAL YEAR 2016/2017, ANNUAL AUDITED FINANCIAL STATEMENTS.**
MARCH 1, 2018 REGULAR BOARD OF DIRECTORS' MEETING.

BACKGROUND

Enclosed for your approval and adoption, is a copy of Fiscal Year 2016/2017 Annual Audited/Financial Statements (draft). The 2017 Annual Audited/Financial Statement continues to reflect sound operational and financial management, a positive bottom-line and a clean audit. Also enclosed for your review is a copy of the detailed summary report of the Audited Financial Statements prepared by Kayode Adetayo, Chief Financial Officer.

The Joint Committee (Audit/Finance) met on February 20, 2018 to discuss the Authority's FY 2016/2017 Audited and Financial Statements. Committee Members were Finance Committee Chairman Mercedes McCall, Clemente Cuevas, Vernice Atkins-Bradley, Board Members and Marshell Siplin, Ex-Officio.

A presentation of the Authority's audited financial statements was presented before the Committee by Esther Nichols – Auditor, The Nichols Group. Ms. Nichols focused attention on the Management Letter. The Financial Statements reflects total revenues of $2,448,781, with net revenues of $427,239 – a good year in a difficult bond market environment. After presentation and discussion, the Committee accepted the Audited Financial Statements for FY 2016/2017 and recommended acceptance and adoptions of the Audited Financial Statements by the Board of Directors, at its March 7, 2018 Board meeting.

ACTION REQUESTED

Board approval of the Audit/Finance Committees' recommendation for acceptance and **adoption of the Authority's Fiscal Year** 2016/2017 Annual Audited Financial Statements for year-ending September 30, 2017.

Orange County Housing Finance Authority

(A Component Unit of Orange County, Florida)

Independent Auditor's Reports and Basic Financial Statements

For the Year Ended September 30, 2017

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Independent Auditor's Reports and Basic Financial Statements
For the Year Ended September 30, 2017

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FINANCIAL SECTION

TNG THE NICHOLS GROUP, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board Members of the Orange County Housing Finance Authority
Orlando, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Orange County Housing Finance Authority (Authority), a component unit of Orange County, Florida as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective position of the business-type activities, each major fund, and the aggregate remaining financial fund information of the Authority, as of September 30, 2017, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

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

The Nichols Group

The Nichols Group, PA
Certified Public Accountants
Fleming Island, Florida

DATE

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INDEPENDENT AUDITOR'S 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*

To the Board Members of the Orange County Housing Finance Authority
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Orange County Housing Finance Authority (Authority), a component unit of Orange County, Florida as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated DATE.

Internal Control over Financial Reporting

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

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

Our consideration of internal control 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 may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

The Nichols Group

The Nichols Group, PA
Certified Public Accountants
Orlando, Florida

DATE

Management’s Discussion and Analysis

(Unaudited)

This section of the Orange County Housing Finance Authority’s (Authority) financial statements presents management's analysis of the Authority's financial performance during the fiscal year that ended on September 30, 2017. Please read it in conjunction with the financial statements, which follow this section.

Financial Highlights

- In the current year, the Authority issued $3,975,635 of Multifamily Draw Down Bonds, 2016 Series A/B; $16,500,000 of Multifamily Housing Revenue Bonds 2016 Series D (Westwood Park Apartments); $14,275,000 of Multifamily Housing Revenue Bonds, 2017 Series A (Vista Pines Apartments); and, $20,160,000 of Multifamily Housing Revenue Bonds 2017 Series B (Landon Pointe Apartments).

- The following bonds were fully redeemed in the current year: $3,225,000 of Homeowner Revenue Bond Series 2007A and $1,720,000 of Homeowner Revenue Bond Series 2007B.

Overview of the Financial Statements

The financial statements consist of two parts: management's discussion and analysis (MD&A) and the basic financial statements. The basic financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Basic Financial Statements

The Authority utilizes enterprise funds for financial reporting purposes. These funds include the activities of the operating fund of the Authority (Operating Fund) and the single family and multifamily bond programs, which are administered by the Authority and are included as one fund as they essentially fulfill the same purpose (Bond Programs Fund). As the Authority only presents its financial information using enterprise funds, under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments* (GASB 34), it is considered to be a "special purpose government engaged only in business-type activities." Accordingly, the Authority only presents fund financial statements as defined in GASB 34. Additionally, under GASB 34 the Operating Fund and the Bond Programs Fund are each considered major funds.

The financial statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about its activities. The Statement of Net Position includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). The assets and liabilities are presented in a classified format, which distinguishes between current and long-term assets and liabilities. It also provides the basis for computing rate of return, evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all of its costs through its services provided, as well as its profitability and credit worthiness.

The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, non-capital financing and financing activities and provides answers to such questions as where did cash come from, what was cash used for and what was the change in the cash balance during the reporting period.

Financial Analysis

Our analysis of the financial statements of the Authority begins below. One of the most important questions asked about the Authority's finances is, "Is the Authority as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the Authority's activities in a way that will help answer this question. These two statements report the net position of the Authority and changes in them. You can think of the Authority's net position - the difference between assets and liabilities - as one way to measure financial health or financial position. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in interest rates, economic conditions, regulations and new or changed government legislation.

Net position

To begin our analysis, a summary of the Authority's Statement of Net Position is presented in Table A-1.

Table A-1
Condensed Statement of Net Position
(In millions of dollars)

	Fiscal Year 2017	Fiscal Year 2016	Dollar Change	Percentage Change
Cash and investments	$ 51.1	$ 31.0	$ 20.1	64.8%
Loans receivable	443.0	414.9	28.1	6.8%
Fees and other receivables, net	8.6	10.3	(1.7)	-16.5%
Capital assets, net	0.3	0.3	-	0.0%
Total assets	503.0	456.5	46.5	10.2%
Deferred outflow of resources	0.4	0.4	-	100.0%
Current liabilities	29.4	5.3	24.1	454.7%
Long-term liabilities	423.0	399.5	23.5	5.9%
Total liabilities	452.4	404.8	47.6	11.8%
Deferred inflow of resources	0.1	-	0.1	100.0%
Net position				
Invested in capital assets	0.3	0.3	-	0.0%
Restricted	0.5	1.4	(0.9)	-64.3%
Unrestricted	50.2	50.0	0.2	0.4%
Total net position	$ 51.0	$ 51.7	$ (0.7)	-1.4%

Total changes in assets and liabilities reflect changes due to bond issues and redemptions in fiscal year 2017. As shown in Table A-1 above, net position decreased during 2017.

Table A-2
Condensed Statement of Revenues, Expenses and Changes in Net Position
(In millions of dollars)

	Fiscal Year 2017	Fiscal Year 2016	Dollar Change	Percentage Change
Loan interest and fee income	$ 18.3	$ 16.1	$ 2.2	13.7%
Investment Income	1.1	6.8	(5.7)	-83.8%
Total operating revenues	19.4	22.9	(3.5)	-15.3%
General and administrative expenses	9.9	13.0	(3.1)	-23.8%
Interest and other expenses	10.1	7.7	2.4	31.2%
Total operating expenses	20.0	20.7	(0.7)	-3.4%
Change in net position	(0.60)	2.2	(2.8)	-127.3%
Beginning net position, as previously reported	51.7	49.5	2.2	4.4%
Prior period adjustment	(0.1)	-	(0.1)	100.0%
Beginning net position	51.6	49.5	2.1	4.2%
Ending net position	$ 51.0	$ 51.7	$ (0.7)	-1.4%

While the Statement of Net Position shows the change in net position, the Statement of Revenues, Expenses and Changes in Net Position provides answers as to the nature and source of these changes.

As can be seen in Table A-2 above, the decrease in operating revenues resulted primarily from a decrease in investment income.

Individual Major Fund Analysis

Operating Fund

Table A-3
Condensed Statement of Revenues, Expenses and Changes in Net Position – Operating Fund
(In millions of dollars)

	Fiscal Year 2017	Fiscal Year 2016	Dollar Change	Percentage Change
Investment Income	$ 0.9	$ 4.3	$ (3.4)	-79.1%
Fee income and other revenue	1.5	2.0	(0.5)	-25.0%
Total operating revenues	2.4	6.3	(3.9)	-61.9%
General and administrative expenses	1.9	1.7	0.2	11.8%
Pension	0.1	0.1	-	0.0%
Total operating expenses	2.0	1.8	0.2	11.1%
Net Transfers	(0.3)	(0.9)	0.6	-66.7%
Change in net position	0.1	3.6	(3.5)	-97.2%
Beginning net position, as previously reported	50.3	46.7	3.6	7.7%
Prior period adjustment	-	-	-	100.0%
Beginning net position	50.3	46.7	3.6	7.7%
Ending net position	$ 50.4	$ 50.3	$ 0.1	0.2%

During the current fiscal year, the Operating Fund statement of revenues, expenses and changes in net position reflects that net position increased by approximately $0.1 million as compared to an increase in fiscal year 2016 of approximately $3.6 million. The decrease in the change in net position was primarily due to a greater increase in investment income between the fiscal year 2015 and fiscal year 2016 than between fiscal year 2017 and fiscal year 2016.

Bond Programs Fund

Table A-4
Condensed Statement of Revenues, Expenses and Changes in Net Position – Bond Programs Fund
(In millions of dollars)

	Fiscal Year 2017	Fiscal Year 2016	Dollar Change	Percentage Change
Investment Income	$ 13.8	$ 13.9	$ (0.1)	-0.7%
Fee income and other revenue	3.2	2.8	0.4	14.3%
Total operating revenues	17.0	16.7	0.3	1.8%
General and administrative expenses	8.0	11.2	(3.2)	-28.6%
Interest and other expenses	9.3	7.4	1.9	25.7%
Debt issuance cost	0.8	0.4	0.4	100.0%
Total operating expenses	18.1	19.0	(0.9)	-4.7%
Net Transfers	0.3	0.9	(0.6)	-66.7%
Change in net position	(0.8)	(1.4)	0.6	-42.9%
Beginning net position, as previously reported	1.4	2.8	(1.4)	-50.0%
Prior period adjustment	(0.1)	-	(0.1)	100.0%
Beginning net position	1.3	2.8	(1.5)	-53.6%
Ending net position	$ 0.5	$ 1.4	$ (0.9)	-64.3%

During the current fiscal year, the Bond Programs Fund net position decreased by $0.8 million, consisting of an decrease in multifamily net position of $0.5 million and a decrease in single family net position of $.9 million.

Fiscal year 2016 Bond Programs Fund net position decrease by $1.4 million, consisting of a decrease in multifamily net position of $0.09 million and a decrease in single family net position of $0.72 million.

Capital Assets and Long-Term Debt

Capital Assets

As of September 30, 2017, the Authority had approximately $319 thousand invested in a variety of capital assets, net of accumulated depreciation. As shown in Table A-5, this represents a net increase (additions, deductions and depreciation) from the end of last year.

Table A-5
Capital Assets
(In thousands of dollars)

	Fiscal Year 2017	Fiscal Year 2016
Land	$ 112	$ 112
Building	411	411
Furniture and Fixtures	109	78
Total capital assets	631	601
Less: accumulated depreciation	(312)	(292)
Net Capital Assets	$ 319	$ 309

Long-Term Debt

As of September 30, 2017, the Authority had $422.9 million in outstanding long-term debt, net of the current portion of $1.4 million. This represents a net increase of $24.7 million from the prior fiscal year, resulting from bond redemptions, scheduled bond principal payments and new issues. A summary of long-term debt is included in Table A-6.

Table A-6
Long-Term Debt
(In millions of dollars)

	Fiscal Year 2017	Fiscal Year 2016
Operating fund:	$ 0.8	$ 0.8
Bond programs funds:		
Multifamily	384.6	344.6
Single family	38.9	54.1
Total bond programs funds	423.5	398.7
Total debt outstanding	424.3	399.5
Current portion of long-term debt	1.4	1.3
Total long-term debt, noncurrent	$ 422.9	$ 398.2

For more detailed information regarding the Authority's capital assets and long-term debt, please refer to the notes to the financial statements.

Economic Factors and Next Year's Budget

The Authority's Board of Directors and management considered many factors when setting the fiscal year 2018 budget. These factors include the expected operating costs of the Authority, as well as projected issuance costs for single family projects, which in turn consider such factors as anticipated population growth of the participating counties and the economy of the region as a whole.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, 2211 East Hillcrest Street, Orlando, Florida 32803.

BASIC FINANCIAL STATEMENTS

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Statement of Net Position
For the Year Ended September 30, 2017

	Operating Fund	Bond Programs Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 6,952,850	$ -	$ 6,952,850
Program fees receivable	344,921	-	344,921
Accrued loan interest	83,351	596,609	679,960
Accrued investment interest	-	300,951	300,951
Prepaid expenses	12,659	16,475	29,134
Total current assets	7,393,781	914,035	8,307,816
Noncurrent assets:			
Restricted cash and cash equivalents	-	22,323,678	22,323,678
Restricted investments	-	21,827,353	21,827,353
Internal balances	13,622,229	(13,622,229)	-
Mortgage backed securities	18,956,564	48,127,556	67,084,120
Loans receivable-net	6,554,912	369,378,269	375,933,181
Notes receivable - net	7,207,560	-	7,207,560
Capital assets-net	319,411	-	319,411
Total noncurrent assets	46,660,676	448,034,627	494,695,303
Total assets	54,054,457	448,948,662	503,003,119
Deferred Outflows of Resources			
Contributions	420,688	-	420,688
Liabilities			
Current liabilities:			
Accounts payable and other liabilities	3,032,545	6,911,192	9,943,737
Accrued interest payable	-	1,580,429	1,580,429
Due to developers	-	16,502,000	16,502,000
Bonds Payable Current	-	1,353,037	1,353,037
Total Current Liabilities	3,032,545	26,346,658	29,379,203
Noncurrent Liabilities:			
Bonds Payable	-	422,090,221	422,090,221
Net pension liability	884,342	-	884,342
Total Noncurrent Liabilities	884,342	422,090,221	422,974,563
Total Liabilities	3,916,887	448,436,879	452,353,766
Deferred Inflows of Resources			
Contributions	76,945	-	76,945
Net Position			
Net investment in capital assets	319,411	-	319,411
Restricted	-	511,783	511,783
Unrestricted	50,161,902	-	50,161,902
Total net position	$ 50,481,313	$ 511,783	$ 50,993,096

See accompanying notes.

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended September 30, 2017

	Operating Fund	Bond Programs Fund	Total
Operating Revenues			
Interest on loans	$ 79,672	$ 13,557,162	$ 13,636,834
Investment income, including unrealized gains on investments	892,488	176,865	1,069,353
Fee income and other revenue	1,476,621	3,242,539	4,719,160
Total operating revenues	2,448,781	16,976,566	19,425,347
Operating Expenses			
Interest	-	9,276,223	9,276,223
Bond issuance cost	-	760,602	760,602
General and administrative	1,915,259	8,003,382	9,918,641
Pension	106,283	-	106,283
Total operating expenses	2,021,542	18,040,207	20,061,749
Operating Income (Loss)	427,239	(1,063,641)	(636,402)
Transfers in	3,912,612	4,528,191	8,440,803
Transfers out	(4,168,204)	(4,272,599)	(8,440,803)
Total transfers	(255,592)	255,592	-
Changes in Net Position	171,647	(808,049)	(636,402)
Net Position, Beginning (as previously stated)	50,309,666	1,403,077	51,712,743
Prior Period Adjustment	-	(83,245)	(83,245)
Net Position, Beginning	50,309,666	1,319,832	51,629,498
Net Position, End of Year	$ 50,481,313	$ 511,783	$ 50,993,096

See accompanying notes.

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Statement of Cash Flows
For the Year Ended September 30, 2017

	Operating Fund	Bond Programs Fund	Total
Cash Flows from Operating Activities			
Cash received from developers and homeowners	$ 3,500,779	$ 16,679,179	$ 20,179,958
Cash received from housing programs	-	10,075,896	10,075,896
Cash paid for housing programs	(5,239,009)	(46,682,947)	(51,921,956)
Cash advances of loan principal	-	16,500,000	16,500,000
Receipts (payments) for internal balances	(6,459,171)	6,459,171	-
Cash payments for operating and administrative expense	(1,783,909)	(4,669,879)	(6,453,788)
Net cash used in operating activities	(9,981,310)	(1,638,580)	(11,619,890)
Cash Flows from Noncapital Financing Activities			
Proceeds from issuance of bonds payable	-	54,910,635	54,910,635
Principal repayments on bonds payable	-	(30,151,363)	(30,151,363)
Interest paid on bonds payable	-	(9,214,677)	(9,214,677)
Payments for bond issuance costs	-	(760,602)	(760,602)
Net cash provided by noncapital financing activities	-	14,783,993	14,783,993
Cash Flows from Capital Financing Activities			
Purchase of capital assets	(29,585)	-	(29,585)
Federal Home Loan Bank letter of credit	2,601,913		2,601,913
Net cash provided by capital financing activities	2,572,328	-	2,572,328
Cash Flows from Investing Activities			
Proceeds from principal paydowns of MBS	9,883,027	14,692,262	24,575,289
Payments for the issuance of MBS	(4,639,976)	(7,607,970)	(12,247,946)
Purchase of investments	-	(62,562,293)	(62,562,293)
Sale of investments	-	42,492,888	42,492,888
Interest received	555,695	126,722	682,417
Net cash provided by (used in) investing activities	5,798,746	(12,858,391)	(7,059,645)
Net Change in Cash and Cash Equivalents	(1,610,236)	287,022	(1,323,214)
Cash and Cash Equivalents, Beginning of Year	8,563,086	22,036,656	30,599,742
Cash and Cash Equivalents, End of Year	$ 6,952,850	$ 22,323,678	$ 29,276,528
Reconciliation of Changes in Operating Income to Net Cash Used In Operating Activities			
Operating income (loss)	$ 427,239	$ (1,063,641)	$ (636,402)
Adjustments to reconcile changes in operating income to net cash provided by (used in) operating activities:			
Depreciation	19,531	-	19,531
Bond issuance cost		760,602	760,602
Interest expense	-	9,276,223	9,276,223
Investment interest income	(555,694)	(195,588)	(751,282)
Unrealized gain on investments	-	18,723	18,723
Transfers	(255,592)	255,592	-
Change in operating assets and liabilities:			
Loans receivable	(5,575,803)	(36,607,051)	(42,182,854)
Accrued loan interest receivable	131,294	(120,522)	10,772
Program fees receivable	(8,055)		(8,055)
Notes receivable	1,821,247	-	1,821,247
Prepaid expenses	20,603	(16,475)	4,128
Due to developer	-	16,500,000	16,500,000
Internal balances	(6,203,580)	6,203,580	-
Accounts payable and other liabilities	109,347	3,349,977	3,459,324
Deferred outflows of resources for pensions	2,744	-	2,744
Deferred Inflows of resources for pensions	44,431	-	44,431
Net pension liability	40,978	-	40,978
Total adjustments	(10,408,549)	(574,939)	(10,983,488)
Net Cash Used In Operating Activities	(9,981,310)	(1,638,580)	(11,619,890)

See accompanying notes.

1. Reporting entity

The Orange County Housing Finance Authority (Authority), a public body corporate and politic with no taxing power, was established on October 13, 1978, by the Board of County Commissioners of Orange County, Florida (Board) in accordance with the Florida Housing Finance Authority Law, Part IV of Chapter 159, *Florida Statutes*. The Authority was created to finance dwelling accommodations for low, moderate and middle-income persons. The Authority is authorized to borrow money through the issuance of bonds, notes or other obligations to finance multifamily housing developments and single family residential housing.

Financial oversight and accountability to the citizens of Orange County is provided by the Board. The Board appoints the Authority members, who serve a term of four years. The Board has the power to remove a member of the Authority from office without cause.

The Authority is a component unit of Orange County, Florida (County) for financial reporting purposes; the Authority has no component units that meet the criteria for inclusion in the Authority's basic financial statements.

Bonds and other obligations issued by the Authority are conduit debt and are payable, both as to principal and interest, solely from the assets of the various programs which are pledged under the resolutions authorizing the particular issues. These issues do not constitute an obligation, either general or special, of the Authority, the state of Florida or of any local government therein. Neither the full-faith, credit and revenues, nor the taxing power of Orange County, the state of Florida or any local government therein, shall be pledged to the payment of the principal or interest on the obligations.

Pursuant to interlocal agreements with the surrounding Florida counties of Seminole, Osceola and Lake, the Authority is also authorized to issue bonds to fund projects located within those counties and to provide mortgage loans under its programs to the residents of those counties.

2. Summary of significant accounting policies

A. Measurement focus, basis of accounting and financial statement presentation

The accounting records of the Authority are organized on the basis of funds as prescribed by accounting principles generally accepted in the United States of America (GAAP) applicable to governments as established by the Governmental Accounting Standards Board (GASB); and when applicable to governmental entities, statements of the Financial Accounting Standards Board (FASB). The operations of each fund are accounted for within a separate set of self-balancing accounts recording cash and other financial resources, together with related liabilities, net position, revenues and expenses.

The Authority accounts for its activities through the use of enterprise funds. Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of a change in financial position is necessary or useful for sound financial administration (business-type activities). Because the Authority has only business-type activities, it is considered to be a special purpose government for financial reporting purposes. As such, the Authority presents its fund activity separately with a total column to denote the financial position, changes in financial position and cash flows at the reporting unit level (the Authority as a whole). All activities are considered to be operating in nature.

The accompanying financial statements present the financial position, changes in financial position and cash flows of the Operating Fund, which reports all of the funds controlled by the Authority, and the Bond Programs Fund, which accounts for all of the multifamily and single family bond programs of the Authority. The Operating Fund and Bond Programs Fund are each considered major funds.

The financial statements are prepared on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred. Pursuant to the election option made available by GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting* (GASB 20), pronouncements of the Financial Accounting Standards Board issued after November 30, 1989 are not applied in the preparation of the financial statements.

B. Cash and cash equivalents

The Authority considers all highly liquid financial instruments with an original maturity of 90 days or less at the time of purchase to be cash equivalents.

C. Investments

Investments in direct obligations of the United States of America or any agency thereof, federal instrumentalities and mutual funds are carried at fair value as determined in an active market. Investments in certificates of deposit are carried at amortized cost.

D. Loans receivable

Loans receivable are carried at original cost, including unamortized discount, less principal collections. Servicing of loans is provided by various approved and qualified private lending institutions and servicing organizations on behalf of the Authority. Servicing costs on single family issues are recorded as a reduction of interest income.

E. Mortgage backed securities (MBS)

The Authority has entered into various investment agreements with the bond trustees (financial institutions) (Bond Trustees) who are custodians of Government National Mortgage Association (GNMA) and Federal National Mortgage Association (FNMA) securities which are collateral on the majority of single-family bonds. These agreements require the Bond Trustees to hold these securities to maturity, thus requiring the GNMA and FNMA securities to be redeemed at their face value. GASB Statement No. 72, *Fair Value Measurement and Application*, requires these MBS to be recorded at fair value, which will reflect current period fluctuations in their value.

F. Allowance for losses on loans and notes receivable

No allowance has been established in the Bond Programs Fund for loans receivable based upon management's evaluation of the loan portfolio and the ratings of the insurance companies, financial institutions and developers, which guarantee payment of loan principal and interest.

As described in Note 7, the Authority makes loans through its Operating Fund for down payment assistance and to various agencies. These loans have very favorable interest rates and repayment terms. An allowance has been established based upon management's evaluation of the balances therein. These loans are included as notes receivable in the accompanying financial statements.

G. Internal balances

Down payment assistance and bond issuance costs paid for by the Operating Fund on behalf of the single family bond program are presented as internal balances on the Statement of Net Position. Bond Program Fund reimbursements of these balances to the Operating Fund are anticipated to result from residual proceeds upon retirement of bonds payable.

H. Interfund transfers

Transfers of resources between funds when the custody of the mortgage-backed securities changes due to the retirement of bond issues.

I. Bond discounts and premiums

Discounts and premiums on the sale of bonds are capitalized and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Costs relating to issuing bonds that were paid for through the use of other funding sources are expensed when incurred.

J. Capital assets

Capital assets are stated at historical cost and are depreciated based on various useful lives ranging from 3 to 39 years using the straight-line method. The Authority has established a capitalization threshold for capital assets of $1,000.

K. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The Authority only has one item that qualifies for reporting in this category. It is the contributions made to the pension plan in the 2017 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Authority only has one item that qualifies for reporting in this category. It is the deferrals of pension expense that result from the implementation of GASB Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions* – an amendment of GASB 27.

L. Pensions

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

M. Fee income

In connection with the administration of its bond programs, the Authority receives various fees from developers for each of the bond issues administered. These fees are based on either a percentage of bonds, mortgage loans or GNMA certificates outstanding or a certain dollar amount, as provided for in the bond issue documents and recognized as income in the year for which they are assessed. The portion of these fees assessed for the Authority's operating costs is recognized in the Operating Fund. The portion of these fees assessed for bond and trustee fees is recognized in the Bond Programs Fund. In addition to these fees, the Authority receives the residual, if any, of single family project funds upon full payment of the bonds.

N. Interest Income

Interest on mortgage loans and investments is recognized as income when earned. Interest on mortgage loans is recorded net of service fees.

O. General and administrative expenses

The Bond Programs Fund recognizes various trustee costs, bond issue costs, and project operating expenses, as defined in trust indentures, as general and administrative expenses. Operating Fund general and administrative expenses represent the Authority's operating costs.

P. Income taxes

The Authority is exempt from income taxes; therefore, no provision for tax liability has been included in the Authority’s financial statements.

The Authority’s Forms 8038 filed in connection with its bond issues, and payroll tax returns, are subject to examination by the IRS, generally for three years after they were filed.

Q. Use of restricted resources

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

R. Net position

Net investment in capital assets includes the Authority's capital assets, net of the accumulated depreciation on those assets.

Restricted net position is used to indicate a segregation of a portion of net position equal to the assets restricted for meeting various covenants as defined in the bond indentures or other laws or regulations. Unrestricted net position relates to that portion of net position not restricted for the purposes defined above.

S. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. Recently issued account standards

GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer’s expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions (for example, as salaries and wages or a fringe benefits.) The requirements of this Statement are effective for the current year, except for the requirement of this Statement for the selection of assumptions in a circumstance in which an employer’s pension liability is measured as of a date other than the employer’s most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

GASB Statement No. 85, *Omnibus 2017*, effective for reporting periods beginning after June 15, 2017. Objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement will enhance consistency in the application of accounting and financial reporting requirements. Consistent reporting will improve the usefulness of information for users of state and local government financial statements.

4. Prior period adjustment

The Bond Program Fund's prior year net position has been restated by a decrease of $83,245 for MBS income that was due to the Operating Fund at September 30, 2016 but was not accrued.

	Bond Programs Fund
Net position, as previously	$ 51,712,743
Unrecorded liability	(83,245)
Net postion, restated	$ 51,629,498

5. Description of programs

The various bond programs of the Authority, since its establishment, are as follows:

	Total Bonds Issued
Certificate of deposit	$ 20,040,000
Multifamily	1,231,243,045
Single family	2,365,206,523
	$ 3,616,489,568

A. Certificate of deposit program

The certificate of deposit program issued Multifamily Housing Revenue Bonds 1983 Series A, B, C and D. All bonds issued under this program were retired in prior years.

B. Multifamily programs

The multifamily programs have issued the following:

- Collateralized Loan-to-Lender Revenue Bonds, 1982 Series A
- First Mortgage Housing Revenue Bonds, 1982 Series A
- Housing Development Revenue Bonds, 1983 Series A, C; and 1984 Series B
- Multifamily Guaranteed Mortgage Revenue Bonds, 1983 Series A and B
- Multifamily Guaranteed Mortgage Revenue Refunding Bonds, 1988 Series B; and 1989 Series A
- Multifamily Housing Revenue Bonds, 1983 Series C; 1985 Series B, D, E, G, H, J, K, L, M, N; 1988 Series A, C; 1994 Series A; 1995 Series A; 1997 Series A, B, D; 1998 Series A, C, D, G, K; 1999 Series A, B, E, G, I, L; 2000 Series A, E, F; 2001 Series A, C, F, G; 2002 Series A, C, E, G; 2003 Series A; 2004 Series A; 2005 Series A, B, C, D; 2006 Series A, B; 2007 Series A, B, C, D, E, F, G, H, I, J, K, L, M, N, 0, P; and 2008 Series A
- Multifamily Housing Revenue Refunding Bonds, 1990 Series B; 1991 Series A, B; 1992

- Series A; 1993 Series A, B; 1994 Series B; 1995 Series B; 1997 Series C, E, F; 1999 Series K; and 2001 Series E
- Multifamily Mortgage Revenue Bonds, 1983 Series A; 1984 Series A; 1985 Series A and 2009 Series A
- Multifamily Mortgage Revenue Refunding Bonds, 1989 Series B; and 1995
- Multifamily Rental Housing Revenue Bonds, 1990 Series A
- Subordinated Multifamily Housing Revenue Bonds, 1994 Series B; 1998 Series I, M; 1999 Series D; and 2000 Series C, D
- Taxable Multifamily Housing Revenue Bonds, 1998 Series B, E, 1999 Series F, H, J, M; 2000 Series G; 2001 Series B, D, H; 2002 Series B, D, F; 2002 Series H; and 2003 Series B
- Variable Rate Demand Multifamily Housing Revenue Bonds, 1985 Series F and I
- Variable Rate Demand Multifamily Housing Revenue Refunding Bonds, 1998 Series F
- Variable Rate Housing Revenue Refunding Bonds, 1998 Series J
- Variable Rate Multifamily Housing Revenue Bonds, 2000 Series H
- Taxable Multifamily Mortgage Revenue Bonds, NIBP Series 2009A
- Multifamily Mortgage Revenue Bonds, NIBP 2009 Series A-1 & A-2
- Multifamily Mortgage Revenue Bonds, NIBP 2011 Series A-1 & A-2
- Multifamily Mortgage Revenue Bonds, NIBP 2009 Series A-3
- Multifamily Mortgage Revenue Bonds, NIBP 2009 Series A-4, 2011 Series B
- Multifamily Mortgage Revenue Bonds, NIBP 2009 Series A-5, 2011 Series C
- Multifamily Housing Revenue Bonds, 2013 Series A&B
- Multifamily Housing Revenue Bonds, 2014 Series A,B&C
- Multifamily Housing Revenue Bonds, 2015 Series A
- Multifamily Housing Revenue Note, 2016 Series A
- Taxable Multifamily Housing Revenue Note, 2016 Series B
- Multifamily Housing Revenue Bonds, 2016 Series C
- Multifamily Housing Revenue Bonds 2016 Series D
- Multifamily Housing Revenue Bonds 2017 Series A
- Multifamily Housing Revenue Bonds 2017 Series B

Proceeds from the sale of the bonds were used to finance the construction or acquisition of multifamily housing developments located in Orange and Seminole Counties, Florida which are intended for occupancy in part by persons of low, moderate, and middle-income.

C. Single family programs

The single family programs have issued the following:

- Single Family Bond Issues 1980; 1982 Series A; 1983 Series A; 1984 Series A; and 1985 Series A

The proceeds of the bonds were used primarily to purchase mortgage loans from certain qualified lending institutions on single-family residences for persons of low to moderate income in Orange County, Florida.

The Program also issued the following:

- Single Family Housing Revenue Bonds 1987 Series A, B, C, D, E, F; 1988 Series A; 1989 Series A, B, C, D, E; 1990 Series A; 1991 Series A; 1992 Series A, B; 1994 Series A; Series 1994; Series 1995; 1996 Series A, B; 1997 Series A, B; 2001 Series A-1 (AMT), A-2 (ST AMT), A-3 (Taxable); and 2002 Series A (AMT)
- Homeowner Revenue Bonds 1998 Series A-1 (AMT), A-2 (Taxable); 1999 Series A-1 (AMT), A-2 (Non-AMT), A-3 (Short-term AMT), A-4 (Taxable); 2000 Series A-1 (AMT), A-2 (Short-term AMT), A-3 (Taxable), B-1 (AMT), B-2 (Short-term AMT), B-3 (Taxable); 2001 Series A-1 (AMT), A-2 (Short-term AMT), A-3 (Taxable); 2002 Series A (AMT); 2002 Series B (AMT); 2003 Series A (AMT); and 2004 Series A (AMT)

- Homeowner Revenue Bonds 2001 Series C-1 (AMT), Series C-2 (Variable Rate AMT), Series C-3 (Non-AMT), and Series C-4 (Taxable)
- Homeowner Revenue Bonds 2006 Series A-1 (AMT), and Series A-2 (AMT)
- Homeowner Revenue Bonds 2007 Series A (AMT), and Series B (AMT)
- Homeowner Mortgage Revenue Bonds, NIBP 2009 Series (Multi-County Program)
- Homeowner Mortgage Revenue Bonds, NIBP 2009 Series A & 2010 A (Non-AMT) (Multi-County Program)
- Homeowner Mortgage Revenue Bonds, NIBP 2009 Series B (Non-AMT) and 2011 A (Non-AMT) (Multi-County Program)
- Homeowner Mortgage Revenue Bonds, NIBP 2009 Series C (Non-AMT) and 2011 B (Non-AMT) (Multi-County Program)
- Homeowner Revenue Bonds 2013 Series A Taxable (Multi-County Program) Refunding Bonds
- Homeowner Revenue Bonds 2014 Series A (Non-AMT)(Multi-County Program)

The proceeds of the bonds are used primarily to purchase GNMA certificates to the extent mortgage loans are originated by participating lenders. The mortgage loans are intended for single family residences for persons of low to moderate income in Orange, Seminole, Lake and Osceola Counties, Florida.

D. Operating fund

The Authority's operating fund collects program fees from the various bond issues. Expenses are those incurred in operating the Authority, which are determined by budgetary restrictions imposed by Board of Directors. The operating fund also makes second and third mortgage loans used for down payment assistance as well as loans to various agencies that assist in providing housing for handicapped, homeless and low-income people in the area served by the Authority. These loans are typically non-interest bearing or have interest rates substantially below the prevailing market rate and include other favorable terms of repayment.

6. Cash, cash equivalents and investments

At September 30, 2017, the Authority had the following cash, cash equivalents and investments:

	Fair Value	Credit Quality Rating	Maturity (Years)
Operating fund			
Bank deposits	$ 4,865,229	NA	NA
U.S. Bank Money Market Account	1,712,564	NA	NA
Money Market Mutual Funds	375,057	AAAm	< 90 days
Total operating fund cash and cash equivalents	$ 6,952,850		
Bond Programs fund			
Single Family			
Money Market Mutual Funds	$ 7,038,687	AAAm	< 90 days
Total single family cash and cash equivalents	7,038,687		
Multifamily			
Bank deposits	2,555,485	NA	NA
Guaranteed Investment Contracts	1,764,765	AAAm	5-15
US Treasury Note	20,062,588	AA+	1.167
Money Market Mutual Funds	12,729,506	AAAm	< 90 days
Total Multifamily cash, cash equivalents and investments	37,112,344		
Total Bond Programs Fund cash, cash equivalents and investments	$ 44,151,031		

Bank deposits are secured as provided by Chapter 280, *Florida Statutes*. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2017, all of the Authority's bank deposits were in qualified public depositories.

Certain of the Authority's investments are subject to credit risk, interest rate risk and concentration of credit risk considerations, as defined by GASB 40. Cash equivalents are not exposed to credit risk, as defined by GASB 40.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. GASB 40 requires the disclosure of investments in any one issuer that represent 5% or more of total investments. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are exempt from this requirement. As of September 30, 2017, the Authority's Operating Fund had no investments which are subject to concentration of credit risk disclosure requirements.

Fair value measurements

The Authority's financial instruments measured and reported at fair value are classified according to the following hierarchy:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that the Authority has the ability to access at the measurement date.

Level 2 – Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 – Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability.

The categorization of financial instruments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. The mortgage backed securities and Guaranteed Investment Contracts classified as Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar securities.

	Fair Value	**Level 1**	**Level 2**	**Level 3**
Operating Fund				
Mortgage backed securities	$ 18,956,564	$ -	$ 18,956,564	$ -
Total Operating Fund	18,956,564	-	18,956,564	-
Bond Programs Funds				
Single Family Bond Programs Fund				
Guaranteed Investment Contracts	1,764,765		1,764,765	
Mortgage backed securities	48,127,556	-	48,127,556	-
US Treasury Note	20,062,588		20,062,588	
Total Single Family Bond Programs Fund	69,954,909	-	69,954,909	-
Total Bond Programs Funds	69,954,909	-	69,954,909	-
Total Financial Instruments by Fair Value Level	$ 88,911,473	$ -	$ 88,911,473	$ -

Operating Fund Investment Risk Mitigation Policies

The Operating Fund investment policy limits maturities of direct obligations of the United States of America, any agency thereof, and federal instrumentalities to two years from the date of purchase, limits investments in money market mutual funds to those with weighted average maturities of 90 days or less, and limits maturities of certificates of deposit to one year.

The Authority manages credit risk in its Operating Fund by limiting investments authorized to direct obligations of the United States of America or any agency thereof, federal instrumentalities, interest-bearing time or demand deposits with any qualified depository institution and money market mutual funds registered under the Federal Investment Company Act of 1940 and with credit quality ratings equivalent to or better than Standard & Poor's rating of AAAm or the equivalent by another rating agency.

In the Operating Fund, the Authority manages concentration of credit risk by diversification of its investment portfolio to minimize the impact of potential losses from one type of security or individual issuer. In addition, the Authority invests in investments issued by or explicitly guaranteed by the U.S. Government.

Bond Program Funds

Credit quality ratings, weighted average maturities and concentration of credit risk permitted for multifamily and single family investments are based on policies provided in respective trust indentures, which vary among projects. Such investments are made at the direction of trustees based on the underlying trust indenture policies.

7. Mortgage backed securities

At September 30, 2017, mortgage backed securities consisted of investments in the following securities with maturity dates ranging from years 2023 to 2047.

	Operating Fund	Single Family	Total
Federal Home Loan Mortgage Corporation	$ 949,010	$ 591,406	$ 1,540,416
Federal National Mortgage Association	224,648	2,292,819	2,517,467
Government National Mortgage Association	17,782,906	45,243,331	63,026,237
	$ 18,956,564	$ 48,127,556	$ 67,084,120

In connection with the retirement of certain single family mortgage revenue bond programs, the Authority has transferred residuals consisting in part of mortgage backed securities from the Bonds Program Funds to the Operating Fund.

The mortgage backed securities are valued at fair value and bear interest at various rates ranging from 2.75% to 6.30%.

8. Loans receivable

Loans receivable at September 30, 2017 were as follows

Federal Home Loan Bank - collateral	$ 6,554,912
Single family mortgage loans	774,706
Multifamily mortgage loans	368,603,563
	$ 375,933,181

Operating fund loans receivable are mortgage backed securities held as collateral by Federal Home Loan Bank.

Single family mortgage loans receivable relate to down payment assistance loans issued during

2006 and 2007 in amounts up to $35,000 per household and down payment assistance loans issued during 2007 through 2011 in amounts up to $10,000 per household. These loans are secured by second mortgages and, in the opinion of management do not have a material exposure to loss.

Multifamily mortgage loans are collateralized by a first mortgage deed and, with the exception of 13 privately placed issues, either an insurance policy or an irrevocable letter of credit. The related insurance company or financial institution must have a rating greater than or equal to the rating on the bonds. Due to the nature of these notes and the repayment terms, all are considered to be long-term for financial reporting purposes. Multifamily mortgage loans receivable are pledged as collateral for the payment of principal and interest on the related indebtedness.

9. Notes receivable

$78,929 fifth mortgage loan, secured by property, $254 due monthly	$ 58,708
$2,000,000 non-revolving promissory note with Habitat for Humanity of Greater Orlando, Inc., simultaneously with the closing of each home prepayment of principal of $40,000 is made, maturity date is September 30, 2018	360,000
Down payment assistance notes receivable, secured by property, issued from 1991 through 1997	351,117
Down payment assistance notes receivable, secured by property, issued from 2006 through 2011	3,141,287
Down payment assistance notes receivable, secured by property, issued since 2014	2,533,501
Other notes receivable, secured by property, primarily due 2030	2,095,017
	8,539,630
Less allowance for losses on notes receivable	(1,332,070)
	$ 7,207,560

Due to the nature of these notes and the repayment terms, substantially all are considered to be long term receivables for financial reporting purposes.

Down payment assistance ("DPA") notes issued from 1991 through 1997 were in amounts up to $2,500 per household and are due after the first mortgage has been paid in full. An allowance has been established for approximately $325,417 of these DPA notes. DPA notes issued from 2006 through 2011 were in amounts up to $10,000 per household with varying repayment terms allowing for repayments on some notes to be deferred up to 5 years from the date of issuance. An allowance has been established for approximately $1,006,653 of these DPA notes, which equates to the amount of loans for which foreclosure notices have been received. It is reasonably possible that a change in this estimated allowance may occur in the near term; however, an estimate of possible additional valuation allowance for these notes, if any, cannot be made. All of the DPA notes are secured by second or third mortgages.

Other notes receivable consist of five notes, two which require only principal payments and two which require principal and interest payments. One of the notes requires interest only payments until December 1, 2018, at which time it will begin paying principal and interest. All five notes were made to entities associated with multifamily housing projects, are secured by property and are expected to be fully collectable.

10. Interfund transfers

The Authority reports interfund transfers between the Operating Fund and Bond Programs Fund. In 2017, the $8,440,803 in interfund transfers was the result of retiring Homeowner Revenue Bond Series 2007A and 2007B.

	Transfers in	Transfers out
Operating Fund	$ 3,912,612	$ (4,168,204)
Single Family	4,528,191	(4,272,599)
Total transfers	$ 8,440,803	$ (8,440,803)

11. Capital assets

Capital assets of the Operating Fund are summarized as follows at September 30, 2017:

	Balance 9/30/2016	Additions	Deletions	Balance 9/30/2017
Land	$ 112,000	$ -	$ -	$ 112,000
Building	411,671	-	-	411,671
Furniture and fixtures	78,111	29,584	-	107,695
Less accumulated depreciation	(292,424)	(19,531)	-	(311,955)
Total capital assets, net	$ 309,358	$ 10,053	$ -	$ 319,411

12. Accounts payable and other liabilities

	Operating Fund	Bond Programs Fund	Total
Reserve payables	$ 19,862	$ 2,500,717	$ 2,520,579
Program fee payable	-	339,790	339,790
Trustee fee payable	-	57,050	57,050
Tax credit equity payable	-	4,013,635	4,013,635
Unearned revenue	38,529	-	38,529
Payroll and related liabilities	363,352	-	363,352
FHLB LOC payable	2,601,913	-	2,601,913
Other	8,889	-	8,889
	$ 3,032,545	$ 6,911,192	$ 9,943,737

Reserve payables represent amounts due to developers and other third parties for tax credits and other costs associated with bond programs.

13. Bonds payable

Bonds are issued in the form of serial, term and capital appreciation bonds and are both taxable and tax-exempt depending on the particular terms of the issue. The annual percentage rate, maturity, principal balance outstanding and other information relating to bond indebtedness at September 30, 2017 were as follows:

Series	Type	Annual Percentage Rate	Principal Maturity	Principal Balance Outstanding	Current Portion
Multifamily:					
1995 A	Term	7.0000	2026	3,615,000	
1997 E	Term	0.8666 (*)	2025	18,200,000	
1998 C	Term	7.0000	2028	1,480,000	
2000 F	Term	0.9479 (*)	2033	9,910,000	
2000 H	Term	0.9477 (*)	2033	6,460,000	
2001 A	Term	0.9380 (*)	2034	10,130,000	
2001 C	Term	0.9380 (*)	2034	6,710,000	
2001 D	Term	1.1430 (*)	2034	400,000	
2001 F	Term	7.2500	2032	4,960,000	
2002 A	Term	0.9261 (*)	2035	11,750,000	
2002 B	Term	1.2300 (*)	2035	2,000,000	
2002 E	Term	0.9261	2035	7,725,000	
2002 G	Serial	5.150 - 5.250 (*)	2018 - 2028	2,210,000	155,000
2004 A	Term	0.9261 (*)	2037	12,800,000	
2005 A	Term	0.9261 (*)	2038	8,285,000	
2005 B	Term	0.9261 (*)	2038	6,230,000	
2005 C	Term	0.9359 (*)	2038	11,670,000	
2005 D	Term	2.0029 (*)	2039	8,235,000	
2006 B	Term	1.1155 (*)	2040	4,290,000	
2007 A	Term	0.9478 (*)	2040	7,650,000	
2007 B	Term	0.9262 (*)	2042	4,185,000	
2007 C	Term	1.1965 (*)	2042	5,540,000	
2007 D	Term	1.1964 (*)	2042	1,650,000	
2007 E	Term	1.1964 (*)	2042	3,000,000	
2007 F	Term	1.1961 (*)	2042	1,550,000	
2007 G	Term	0.9478 (*)	2042	7,850,000	
2007 H	Term	0.9478 (*)	2042	7,250,000	
2007 I	Term	1.4090 (*)	2043	4,255,000	
2007 J	Term	1.4086 (*)	2043	1,300,000	
2007 K	Term	1.4089 (*)	2043	2,085,000	
2007 L	Term	1.4091 (*)	2043	4,160,000	
2007 M	Term	1.4091 (*)	2043	4,700,000	
2007 N	Term	1.5955 (*)	2043	4,390,000	
2007 O	Term	1.5955 (*)	2043	2,200,000	
2007 P	Term	1.1545 (*)	2043	6,650,000	
2009 A-1 NIBP	Term	3.8800	2040	6,480,000	
2009 A-2 NIBP	Term	2.4800	2044	5,500,000	
2009 A-3 NIBP	Term	2.3200	2044	7,580,000	
2009 A-4 NIBP	Term	2.3200	2044	9,870,000	
2009 A-5 NIBP	Term	2.3200	2044	6,690,000	
2013 A	Term	5.6500	2030	15,340,636	
2013 B	Term	2.4700	2048	20,700,000	
2014 A	Term	3.5000	2049	2,160,000	
2014 B	Term	5.2500	2042	14,680,000	
2014 C	Term	5.2500	2054	8,000,000	
2015 A	Term	4.7500	2050	9,600,000	
2016A	Term	3.5372 (*)	2033	16,268,421	
2016B	Term	3.9872 (*)	2018	373,037	373,037
2016C	Term	4.9000	2051	4,920,000	
2016 D SENIOR	Term	3.0000	2051	9,000,000	
2016 D SUBORDINATE	Term	10.3632	2051	7,500,000	
2017 A SENIOR	Term	3.6000	2052	7,775,000	
2017 A SUBORDINATE	Term	9.2108	2052	6,500,000	
2017 B	Term	1.1500	2019	20,160,000	
Total Multifamily				384,572,094	528,037

Series	Type	Annual Percentage Rate	Principal Maturity		Principal Balance Outstanding	Current Portion
Single Family:						
2009A NIBP	Term	3.0100	2041		3,575,000	-
2010A NIBP	Serial	2.900-3.600	2018-2021		195,000	50,000
	Term	4.125-4.250	2027 - 2028	(1)	1,055,000	
2011A NIBP	Serial	3.125-4.000	2018 - 2022		320,000	65,000
	Term	4.500-4.875	2026 - 2031	(2)	2,085,000	
2009C NIBP	Term	2.3200	2041		6,640,000	
2011B NIBP	Serial	2.700-3.600	2018-2022		1,235,000	240,000
	Term	3.950-4.450	2026-2031	(3)	3,775,000	
2013A	Term	2.6250	2041		3,265,000	
2014A	Serial	1.200-3.000	2018-2024		3,635,000	470,000
	Term	3.550-4.000	2030-2040	(4)	12,015,000	
Total Single Family					37,795,000	825,000
Grand Total					$ 422,367,094	$ 1,353,037

(1) Net of unamortized premium of	(87,178.00)	NIBP 2010A
(2) Net of unamortized premium of	(184,294.00)	NIBP 2011A
(3) Net of unamortized premium of	(145,546.00)	NIBP 2011B
(4) Net of unamortized premium of	(659,146.00)	SERIES 2014A
	$ (1,076,164)	

*This bond issue has a variable interest rate. The rate shown is the rate in effect at year end. Other interest rates are fixed and have not changed from the prior year.

Scheduled principal and interest payments commencing October 1, 2017, are as follows (variable rate debt interest payments are based on rates applicable at September 30, 2017):

Fiscal Year Ending September 30,	Principal	Interest	Total
2018	$ 1,353,037	$ 11,173,548	$ 12,526,585
2019	995,000	11,141,254	12,136,254
2020	21,175,000	10,927,760	32,102,760
2021	1,055,000	10,849,595	11,904,595
2022	1,055,000	10,814,811	11,869,811
2023-2027	25,785,000	52,789,997	78,574,997
2028-2032	29,385,636	47,630,576	77,016,212
2033-2037	86,483,421	38,623,638	125,107,059
2038-2042	88,520,000	32,838,576	121,358,576
2043-2047	90,405,000	19,709,084	110,114,084
2048-2052	53,880,000	14,721,943	68,601,943
2053-2055	22,275,000	1,003,265	23,278,265
Total Bonds Outstanding	422,367,094	262,224,047	684,591,141
Unamortized bond premium, net	1,076,164	-	1,076,164
Total	$ 423,443,258	$ 262,224,047	$ 685,667,305

Assets of the various programs are pledged for payment of principal and interest on the applicable bonds. Each issue is collateralized by a separate collateral package. In addition, certain assets are further restricted for payment of interest and principal in the event that the related debt service and other available funds are insufficient.

Provisions of the bond resolutions provide for various methods of redemption. Bonds are to be redeemed at par, primarily from prepayments of mortgage loans securing the issues, from unexpended bond proceeds and excess program revenues. Bonds are generally redeemable at the option of the Authority at premiums ranging up to 6%. Certain term bonds require mandatory sinking fund payments for their redemption.

The interest rate on the Authority's variable rate multifamily bonds is computed weekly by a remarketing agent at a rate that will price the bonds at a market value of approximately 100% of the principal balance outstanding, plus accrued interest.

14. Changes in long-term debt

Long-term debt is summarized as follows at September 30, 2017:

	Balance October 1, 2016	Additions	Reductions	Balance September 30, 2017	Current Portion
Operating Fund					
Net pension liability	$ 843,366	$ 67,550	$ (26,574)	$ 884,342	$ -
Bond Programs Fund					
Bonds payable	398,683,986	54,910,635	(30,151,363)	423,443,258	1,353,037
Total long-term debt	$ 399,527,352	$ 54,978,185	$ (30,177,937)	$ 424,327,600	$ 1,353,037

15. Net position

Restricted net position

Pursuant to various trust indentures and loan agreements, upon satisfaction of all bondholder indebtedness and payment of all authorized expenses, any remaining funds are disbursed to the Authority or the respective developer as described in each trust indenture or loan agreement.

The following is a summary of restricted assets, liabilities, and net position as of September 30, 2017:

Total restricted cash & cash equivalents	$ 21,881,381
Total restricted investments	22,269,650
Total restricted current assets	914,035
Total restricted noncurrent assets	417,505,825
Total restricted assets	462,570,891
Total current liabilities payable from restricted assets	26,346,658
Total noncurrent liabilities payable from restricted assets	435,712,450
Total restricted liabilities payable from restricted assets	462,059,108
Total restricted net position	$ 511,783

Unrestricted net position

Unrestricted net position represents all resources not included in the other components of net position. At September 30, 2017, $39,782 of the Authority's Operating Fund unrestricted net position has been designated in the amount of $19,782 for replacement of property and $20,000 as a general contingency account.

16. Retirement plans

Florida Retirement System:

General Information - All of the Authority's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, *Florida Statutes*, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (Pension Plan) and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, *Florida Statutes*, the FRS also provides a defined contribution plan (Investment Plan) alternative to the FRS Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, *Florida Statutes*, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

Plan Description - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Pension Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, *Florida Statutes*, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2016 through June 30, 2017 and from July 1, 2017 through September 30, 2017, respectively, were as follows: Regular—5.80% and 6.20%; Special Risk Administrative Support—26.34% and 32.91%; Special Risk—20.85% and 21.55%; Senior Management Service—20.05% and 20.99%; Elected Officers'—40.75% and 43.78%; and DROP participants—11.33% and 11.60%. These employer contribution rates include 1.66% HIS Plan subsidy for the entire fiscal year.

The Authority's contributions to the Pension Plan totaled $53,355 for the fiscal year ended September 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2017, the Authority reported a liability of $606,245 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The Authority's proportionate share of the net pension liability was based on the Authority's 2016-17 fiscal year contributions relative to the 2015-16 fiscal year contributions of all participating members. At June 30, 2017, the Authority's proportionate share was 0.002049555%, which was a decrease of 0.000083874% from its proportionate share measured as of June 30, 2016.

For the fiscal year ended September 30, 2017, the Authority recognized Pension Plan pension expense of $91,502. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

DESCRIPTION	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 55,639	$ 3,358
Change of assumptions	203,741	-
Net difference between projected and actual earnings on Pension Plan investments	-	15,024
Changes in proportion and differences between Authority Pension Plan contributions and proportionate share of contributions	86,330	32,808
Authority Pension Plan contributions subsequent to the measurement date	14,627	-
Total	$ 360,337	$ 51,190

The deferred inflows of resources related to the Pension Plan, totaling $14,627 resulting from Authority contributions to the Pension Plan subsequent to the measurement date, will be recognized as a reduction to the net pension liability in the fiscal year ended September 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2018	$ 50,851
2019	50,851
2020	91,914
2021	57,140
2022	3,958
Thereafter	39,806
Total	$ 294,520

Actuarial Assumptions - The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	7.10 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

The actuarial assumptions used in the July 1, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.0%	3.0%	1.8%
Fixed Income	18.0%	4.5%	4.4%	4.2%
Global Equity	53.0%	7.8%	6.6%	17.0%
Real Estate (Property)	10.0%	6.6%	5.9%	12.8%
Private Equity	6.0%	11.5%	7.8%	30.0%
Strategic Investments	12.0%	6.1%	5.6%	9.7%
Total	100.0%			
Assumed Inflation - Mean			2.6%	1.9%

(1) As outlined in the Pension Plan's investment policy

Discount Rate - The discount rate used to measure the total pension liability was 7.10%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Authority's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.10%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 6.10%, or one percentage point higher, 8.10%, than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Authority's proportionate share of the net pension liability	$ 1,097,266	$ 606,245	$ 198,584

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

HIS Plan

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, *Florida Statutes*, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For the fiscal year ended September 30, 2017, eligible retirees and beneficiaries received a monthly HIS Plan payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS Plan payment of $30 and a maximum

HIS Plan payment of $150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2017, the HIS Plan contribution for the fiscal year was 1.66%. The Authority contributed 100% of its statutorily required contributions for the current and preceding four years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The Authority's contributions to the HIS Plan totaled $13,765 for the fiscal year ended September 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2017, the Authority reported a liability of $278,097 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016, with update procedures used to determine the liabilities as of June 30, 2017. The Authority's proportionate share of the net pension liability was based on the Authority's 2016-17 fiscal year contributions relative to the 2015-16 fiscal year contributions of all participating members. At June 30, 2017, the Authority's proportionate share was 0.002600868%, which was a decrease of 0.000013309% from its proportionate share measured as of June 30, 2016.

For the fiscal year ended September 30, 2017, the Authority recognized HIS Plan pension expense of $14,781. In addition, the Authority reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ -	$ 579
Change of assumptions	39,091	24,048
Net difference between projected and actual earnings on HIS Plan investments	154	-
Changes in proportion and differences between Authority HIS Plan contributions and proportionate share of contributions	17,603	1,128
Authority HIS Plan contributions subsequent to the measurement date	3,503	-
Total	$ 60,351	$ 25,755

The deferred outflows of resources related to the HIS Plan, totaling $3,503 resulting from Authority contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	**Amount**
2018	$ 6,952
2019	6,952
2020	6,945
2021	6,917
2022	5,304
Thereafter	(1,977)
Total	$ 31,093

Actuarial Assumptions - The total pension liability in the July 1, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Municipal bond rate	3.58 percent

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate - The discount rate used to measure the total pension liability was 3.58%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS Plan benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Authority's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 3.58%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 2.58%, or one percentage point higher, 4.58%, than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
Authority's proportionate share of the net pension liability	$ 317,345	$ 278,097	$ 245,405

HIS Plan Fiduciary Net Position - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members.

Allocations to the investment member's accounts during the 2016-17 fiscal year, as established by Section 121.72, *Florida Statutes*, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and County Elected Officers class 11.34%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2017, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Authority.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Authority's contributions, including employee contributions, to the Investment Plan totaled $86,353 for the fiscal year ended September 30, 2017.

17. Deferred compensation plan

The Authority participates in a deferred compensation plan available under Internal Revenue Code Section 457(b) (Plan). Plan assets are held in trust for the exclusive benefit of the plan participants and their beneficiaries. The Authority is required to contribute on behalf of each participant 5% of earnings for the plan year. Participants may select additional individual levels of contributions (not to exceed maximum contribution limits established by the Internal Revenue Service.) Plan assets are managed by Voya Financial. The Authority has no management control over the assets of the Plan. Accordingly, the assets of the Plan are not included in these financial statements. For the year ended September 30, 2017, the Authority contributed $53,849 to the Plan.

18. Commitments and contingencies

In 1995, as part of the Single Family Housing Revenue Bond Series 1994 (1994 Bonds), the trustee for the 1994 Bonds received $675,000 in exchange for an agreement whereby the trustee for the 1994 Bonds will remit an amount equal to 6.0689655% of each interest payment received by the trustee on GNMA certificates to a third party. During the year ended September 30, 2017, the Authority remitted $1,061 under such agreement.

In 1995, as part of the Single Family Housing Revenue Bond Series 1995 (1995 Bonds), the trustee for the 1995 Bonds received $261,000 in exchange for an agreement whereby the trustee for the 1995 Bonds will remit an amount equal to 3.67647% of each interest payment received by the trustee on GNMA certificates to a third party. During the year ended September 30, 2017, the Authority remitted $537 under such agreement.

19. Other bondholder information

The Authority has currently financed more than 50 separately collateralized multifamily housing projects, certain of which have required debt service payments to be made by the provider of credit enhancement due to developer payment defaults. No debt service payment default has ever occurred on any publicly offered Authority indebtedness. Developer payment defaults may result in:

- Prepayments by the provider of credit enhancement guaranteeing the obligations of the defaulting developer with respect to such bonds in whole or in part.
- The refunding and early redemption of bonds prior to their stated maturities at their original principal amount plus accrued interest.

The guarantor or provider of other credit enhancement may also be a partner or hold other ownership interests in the developer. Under such circumstances, it may be advantageous for the provider of credit enhancement to prepay the program loan upon developer payment default and eliminate the project from participation in the housing programs of the Authority.

The public policy goal of the Authority is to provide affordable housing to persons of low, moderate and middle income. The Authority realizes that in certain instances, the financial difficulties of the developers may result, in part, from the deed restrictions and other covenants required by the Authority in furtherance of this public policy and which are required by federal income tax law. The Authority intends to make every effort to preserve the participation of troubled projects in providing affordable housing to persons of low, moderate and middle income without impairing the security for bonds issued by the Authority.

20. Risk management

The Authority is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Authority purchases commercial insurance. No settlements in excess of claims have been incurred in the past three fiscal years.

The Authority's health insurance is covered by Orange County, Florida's Self-Insurance Fund, a risk management pool to which risk is transferred in exchange for annual premium payments.

21. Subsequent events

- On October 18, 2017. the Authority issued the $20,000,000 Orange County Housing Finance Authority Homeowner Revenue Bonds Series 2017A (Non-Amt) (Multi-County Program).
- On December 21, 2017, the Authority issued the $6,275,000 Orange County Housing Finance Authority Multifamily Housing Revenue Bonds Series 2017C (Citrus Square Apartments).
- During the period October 1, 2017 through (DATE OF REPORT), pursuant to various trust indentures, bonds in the aggregate amount of $14,266 were called for partial and full redemptions. The bonds were called at a redemption price equal to par value plus accrued interest.

  Bonds were called as follows:

Date Called	Redemption Amount	Program	Series
10/01/17	$ 15,000	Multifamily Housing Revenue Bonds	2001 Series F-1 (Lake Davis Apartment Project)
10/01/17	5,000	Multifamily Housing Revenue Bonds	2001 Series F-2 (Lake Jennie Phase I Apartments Project)
10/01/17	15,000	Multifamily Housing Revenue Bonds	2001 Series F-3 (Lake Jennie Phase II Apartments Project)
10/01/17	60,000	Multifamily Housing Revenue Bonds	2001 Series F-4 (Governor's Manor Apartments Project)
10/01/17	5,000	Multifamily Housing Revenue Bonds	2001 Series F-5 (Mellonville Trace Apartments Project)
10/01/17	2,210,000	Multifamily Housing Revenue Bonds	2002 Series G (Palm Grove Gardens)
10/01/17	50,000	Multifamily Housing Revenue Bonds	2005 Series D (Lake Harris Cove Apartments)
10/01/17	10,000	Multifamily Housing Revenue Bonds	2007 Series I (Rolling Acres - Phase 1)
10/01/17	15,000	Multifamily Housing Revenue Bonds	2007 Series M (Fountains at Millenia - Phase IV)
10/15/17	100,000	Taxable Multifamily Housing Revenue Bonds	2001 Series D (The Glenn on Millenia Boulevard)
10/15/17	105,000	Taxable Multifamily Housing Revenue Bonds	2002 Series B (Millenia Boulevard Apartments)
11/01/17	5,000	Multifamily Housing Revenue Bonds	2007 Series I (Rolling Acres - Phase 1)
11/01/17	10,000	Multifamily Housing Revenue Bonds	2007 Series M (Fountains at Millenia - Phase IV)
11/01/17	60,000	Multifamily Housing Revenue Bonds	2009 NIBP Series A-3 (New Issue Bond Program - Oak Harbor)
11/15/17	7,010,000	Taxable Multifamily Housing Revenue Bonds	2001 Series D (The Glenn on Millenia Boulevard)
11/15/17	100,000	Multifamily Housing Revenue Bonds	2005 Series C (Alta Westgate Apartments)
12/01/17	5,000	Multifamily Housing Revenue Bonds	2007 Series I (Rolling Acres - Phase 1)
12/01/17	15,000	Multifamily Housing Revenue Bonds	2007 Series M (Fountains at Millenia - Phase IV)
12/01/17	50,000	Multifamily Mortgage Revenue Bonds	2011 Series C (Seville Place)
12/15/17	100,000	Multifamily Housing Revenue Bonds	2004 Series A (Lee Vista Club Apartments)
12/15/17	100,000	Multifamily Housing Revenue Bonds	2005 Series B (Lakeside Pointe Apartments)
12/15/17	13,000	Multifamily Housing Revenue Bonds	2005 Series D (Lake Harris Cove Apartments)
01/01/18	5,000	Multifamily Housing Revenue Bonds	2007 Series I (Rolling Acres - Phase 1)
01/01/18	10,000	Multifamily Housing Revenue Bonds	2007 Series M (Fountains at Millenia - Phase IV)
01/01/18	50,000	Multifamily Housing Revenue Bonds	2009 NIBP Series A-1 (Crestwood Apartments)
01/01/18	30,000	Multifamily Housing Revenue Bonds	2011 Series A-2 (Lake Sherwood Apartments)
01/01/18	90,000	Multifamily Mortgage Revenue Bonds	2011 Series B (River Ridge)
01/15/18	100,000	Multifamily Housing Revenue Bonds	2001 Series A (Charleston Club Apartments)
01/15/18	110,000	Taxable Multifamily Housing Revenue Bonds	2002 Series B (Millenia Boulevard Apartments)
01/15/18	100,000	Multifamily Housing Revenue Bonds	2005 Series A (The Cove at Lady Lake Apartments)
01/15/18	13,000	Multifamily Housing Revenue Bonds	2005 Series D (Lake Harris Cove Apartments)
02/01/18	10,000	Multifamily Housing Revenue Bonds	2007 Series I (Rolling Acres - Phase 1)
02/01/18	15,000	Multifamily Housing Revenue Bonds	2007 Series M (Fountains at Millenia - Phase IV)
02/01/18	3,575,000	Homeowner Mortgage Revenue Bonds	2009 NIBP Series A (Multi-County Program)
02/07/18	100,000	Multifamily Housing Revenue Bonds	2007 Series (Oviedo Town Center)
	$ 14,266,000		

Management has evaluated subsequent events through DATE, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Schedule of Proportionate Share of the Net Pension Liability
Florida Retirement System Pension Plan
Last Ten Fiscal Years*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Authority's proportion of the net pension liability (asset)	0.002049555%	0.002133429%	0.002358959%	0.002017176%	PRIOR INFORMATION NOT AVAILABLE					
Authority's proportionate share of the net pension liability (asset)	$ 606,245	$ 538,693	$ 304,691	$ 123,077						
Authority's covered-employee payroll	$ 916,210	$ 800,090	$ 796,811	$ 731,037						
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	66.17%	67.33%	38.24%	16.84%						
Plan fiduciary net position as a percentage of the total pension liability	83.89%	84.88%	92.00%	96.09%						

*The amounts presented for each fiscal year were determined as of June 30.

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Schedule of Contributions
Florida Retirement System Pension Plan
Last Ten Fiscal Years*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	$ 53,355	$ 52,027	$ 57,513	$ 44,185		PRIOR INFORMATION NOT AVAILABLE				
Contributions in relation to the contractually required contribution	(53,355)	(52,027)	(57,513)	(44,185)						
Contribution deficiency (excess)	$ -	$ -	$ -	$ -						
Authority's covered-employee payroll	$ 916,210	$ 800,090	$ 796,811	$ 731,037						
Contributions as a percentage of covered-employee payroll	5.82%	6.50%	7.22%	6.04%						

*The amounts presented for each fiscal year were determined as of June 30.

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Schedule of Proportionate Share of the Net Pension Liability
Florida Retirement System Health Insurance Subsidy
Last Ten Fiscal Years*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Authority's proportion of the net pension liability (asset)	0.002600868%	0.002614177%	0.002560091%	0.002360065%		PRIOR INFORMATION NOT AVAILABLE				
Authority's proportionate share of the net pension liability (asset)	$ 278,097	$ 304,671	$ 261,089	$ 220,672						
Authority's covered-employee payroll	$ 916,210	$ 800,090	$ 796,811	$ 731,037						
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	30.35%	38.08%	32.77%	30.19%						
Plan fiduciary net position as a percentage of the total pension liability	1.64%	0.97%	0.50%	0.99%						

*The amounts presented for each fiscal year were determined as of June 30

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Schedule of Contributions
Florida Retirement System Health Insurance Subsidy
Last Ten Fiscal Years*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	$ 13,765	$ 13,399	$ 9,786	$ 8,085	PRIOR INFORMATION NOT AVAILABLE					
Contributions in relation to the contractually required contribution	(13,765)	(13,399)	(9,786)	(8,085)						
Contribution deficiency (excess)	$ -	$ -	$ -	$ -						
Authority's covered-employee payroll	$916,210	$800,090	$796,811	$220,672						
Contributions as a percentage of covered-employee payroll	1.50%	1.67%	1.23%	3.66%						

*The amounts presented for each fiscal year were determined as of June 30.

COMBINING BOND PROGRAMS FUND STATEMENTS

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Combining Statement of Net Position
Bond Programs Fund
September 30, 2017

	Multi Family	Single Family	Totals
Assets			
Current assets:			
Accrued loan interest	$ 596,609	$ -	$ 596,609
Accrued investment interest	110,178	190,773	300,951
Prepaid expenses	16,475	-	16,475
Total current assets	723,262	190,773	914,035
Noncurrent assets:			
Restricted cash and cash equivalents	15,284,991	7,038,687	22,323,678
Restricted Investments	21,827,353	-	21,827,353
Mortgage backed securities	-	48,127,556	48,127,556
Loans receivable-net	368,603,563	774,706	369,378,269
Total noncurrent assets	405,715,907	55,940,949	461,656,856
Total assets	406,439,169	56,131,722	462,570,891
Liabilities			
Current liabilities:			
Accounts payable and other liabilities	6,897,410	13,782	6,911,192
Accrued interest payable	1,475,711	104,718	1,580,429
Due to developers	16,502,000	-	16,502,000
Bonds Payable Current	528,037	825,000	1,353,037
Total Current Liabilities	25,403,158	943,500	26,346,658
Noncurrent Liabilities:			
Due to other funds	-	13,622,229	13,622,229
Bonds Payable-net	384,044,057	38,046,164	422,090,221
Total Noncurrent Liabilities	384,044,057	51,668,393	435,712,450
Total Liabilities	409,447,215	52,611,893	462,059,108
Net Assets			
Restricted	-	3,519,829	3,519,829
Unrestricted	(3,008,046)	-	(3,008,046)
Total net assets	$ (3,008,046)	$ 3,519,829	$ 511,783

See accompanying notes.

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Combining Statement of Revenues, Expenses and Changes in Net Position
Bond Programs Fund
For the Year Ended September 30, 2017

	Multi Family	Single Family	Totals
Operating Revenues			
Investment income, including unrealized gains on investments	$ 131,100	$ 45,765	$ 176,865
Interest on loans	13,557,162	-	13,557,162
Fee income and other revenue	3,240,942	1,597	3,242,539
Total operating revenues	16,929,204	47,362	16,976,566
Operating Expenses			
Interest	8,435,596	840,627	9,276,223
Bond issuance costs	760,602	-	760,602
General and administrative	7,823,146	180,236	8,003,382
Total program expenses	17,019,344	1,020,863	18,040,207
Operating Loss	(90,140)	(973,501)	(1,063,641)
Transfers in	-	4,528,191	4,528,191
Transfers out	-	(4,272,599)	(4,272,599)
Total Transfers	-	255,592	255,592
Changes in Net Position	(90,140)	(717,909)	(808,049)
Net Position, Beginning (as previously stated)	(2,917,906)	4,320,983	1,403,077
Prior Period Adjustment	-	(83,245)	(83,245)
Net Position, Beginning (restated)	(2,917,906)	4,237,738	1,319,832
Net Position, End of Year	$ (3,008,046)	$ 3,519,829	$ 511,783

Orange County Housing Finance Authority
(A Component Unit of Orange County, Florida)
Combining Statement of Cash Flows
Bond Programs Fund
For the Year Ended September 30, 2017

	Multifamily Fund	Single Family Fund	Total
Cash Flows from Operating Activities			
Cash received from developers and homeowners	$ 16,677,582	$ 1,597	$ 16,679,179
Cash received from housing programs	10,003,698	72,198	10,075,896
Cash paid for housing programs	(46,682,947)	-	(46,682,947)
Cash advances of loan principal	16,500,000	-	16,500,000
Receipts for internal balances	-	6,459,171	6,459,171
Cash payments for other general and administrative expenses	(4,405,617)	(264,262)	(4,669,879)
Net cash provided by (used in) operating activities	(7,907,284)	6,268,704	(1,638,580)
Cash Flows from Noncapital Financing Activities			
Proceeds from issuance of bonds payable	54,910,635	-	54,910,635
Principal repayments on bonds payable	(14,920,464)	(15,230,899)	(30,151,363)
Interest paid on bonds payable	(8,327,765)	(886,912)	(9,214,677)
Payments for bond issuance costs	(760,602)	-	(760,602)
Net cash provided by (used in) noncapital financing activities	30,901,804	(16,117,811)	14,783,993
Cash Flows from Investing Activities			
Proceeds from principal paydowns of MBS	-	14,692,262	14,692,262
Payments for the issuance of MBS	-	(7,607,970)	(7,607,970)
Purchase of investments	(39,124,207)	(23,438,086)	(62,562,293)
Sale of investments	17,278,131	25,214,757	42,492,888
Interest	39,741	86,981	126,722
Net cash provided by (used in) investing activities	(21,806,335)	8,947,944	(12,858,391)
Net Change in Cash and Cash Equivalents	1,188,185	(901,163)	287,022
Cash and Cash Equivalents, Beginning of Year	14,096,806	7,939,850	22,036,656
Cash and Cash Equivalents, End of Year	$ 15,284,991	$ 7,038,687	$ 22,323,678
Reconciliation of Changes in Operating Income to Net Cash Provided by (Used in) Operating Activities			
Operating loss	$ (90,140)	$ (973,501)	$ (1,063,641)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Interest expense	8,435,596	840,627	9,276,223
Investment interest income	(149,823)	(45,765)	(195,588)
Bond issuance cost	760,602	-	760,602
Unrealized gain on investments	18,723	-	18,723
Transfers		255,592	255,592
Change in operating assets and liabilities:			
Loans receivable	(36,679,249)	72,198	(36,607,051)
Accrued loan interest receivable	(120,522)		(120,522)
Notes receivable	-		-
Prepaid expenses	(16,475)	-	(16,475)
Due to developer	16,500,000	-	16,500,000
Internal balances		6,203,580	6,203,580
Accounts payable and other liabilities	3,434,004	(84,027)	3,349,977
Net cash used in operating activities	$ (7,907,284)	$ 6,268,704	$ (1,638,580)

See accompanying notes.

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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Board Members of the Orange County Housing Finance Authority, Orlando, Florida.

Report on the Financial Statements

We have audited the financial statements of the Orange County Housing Finance Authority (Authority), a component unit of Orange County, Florida (County), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated DATE.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated DATE should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings in the preceding annual audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Authority has no component units. This information is disclosed in Note 1 of the basic financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the Authority has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and identification of the specific condition(s) met. In connection with our audit we determined that the Authority did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the Authority for the fiscal year ended September 30, 2017, filed with the Florida Department of Financial Services (Department) pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2017. As a component unit, the Authority files its annual fiscal report on a consolidated basis with Orange County, Florida. The Authority is not required to file a separate annual financial report with the Florida Department of Financial Services.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Board Members of the Authority, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

The Nichols Group

The Nichols Group, PA
Certified Public Accountants
DATE

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Board Members of the Orange County Housing Finance Authority
Orlando, Florida

We have examined the Orange County Housing Finance Authority's (Authority), compliance with Section 218.415, Florida Statutes, as of and for the year ended September 30, 2017, as required by Section 10.556(10)(a), *Rules of the Auditor General.* Management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide legal determination of the Authority's compliance with specified requirements.

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements for the year ended September 30,2017.

This report is intended solely for the information and use of the Florida Auditor General, Orange County, Board Members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

The Nichols Group

The Nichols Group, PA
Certified Public Accountants

DATE