**Project:** **EOA Tool Refinement Project**

Date: July 7th, 2021

**Scope of Work:** The Project Consultant and their team will take on the task of updating the HSC EOA tool in order to optimize the way it works and to extend the capabilities of it.

The phases of work are based on the priority and urgency to accomplish. Starting with Quality of Life issues to Calculation Adjustments and finally Tool Cleanup.

To support the process, meetings can be set at the end of each phase to view the results. However, more meetings can take place as needed based on the discretion of the project consultant.

No reporting will be necessary. If possible, documentation of the changes in each phase may be a good idea for futureproofing the tool.

**Deliverable:** To update the EOA tool to modernize it for future viability analysis. This will include scaling back functions that do not work as intended and extending other functions.

**Timing:**

**Cost:**

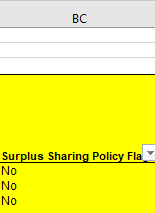
|  |  |
| --- | --- |
| Project Kick off | Timelines |
| HSC will conduct a meeting to familiarize with the Tool and to outline items for the following steps of the project. |  |
| Phase 1: Quality of Life |  |
| * Surplus sharing allowing both options on one file * Extending formulas until 2050 - |  |
| Phase 2: Calculation Adjustments |  |
| * Subsidy calculation allowance for benchmarking * Adding a rental mix/AMR calculator as a tab. * Adding additional funding lines, to revenue, expenses, and operating budget. * Add additional subsidy as a line item |  |
| Phase 3: Tool Settings Cleanup |  |
| * Change settings under the Parameter settings tab |  |

**Phase 1: Quality of Life improvements**

***Scope:*** The most important modifications to the EOA Tool to extend its life

* Surplus sharing allowing both options on one file
  + Currently the files do not work properly if there is one that selects ‘yes’ for surplus sharing and one that selects ‘no’. leading us to have multiple files depending on which surplus sharing policy they have.

**Figure 1: Surplus Sharing under Master Data Tab**



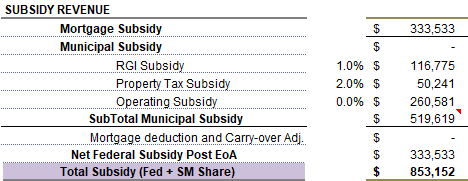
* Extending formulas until 2050
  + The formulas in “Sch for Surplus Sharing Cal-N” and “Sch for Surplus Sharing Cal-Y” are stuck at 2040 we would like to extend them to 2050. \*

**Phase 2: Calculation Adjustments**

***Scope:*** Changes to how the formulas are calculated to support scenario modelling and to more accurately reflect the needs of the client.

* Subsidy calculation allowance for benchmarking
  + For this item there should be a tab we can use to look at how subsidies are calculated. Which calculates the subsidy one of two ways, either using the calculation based on **benchmarks (alternative data source)** and mortgage cost, or if that is unavailable use the subsidy provided in the AIR going forward.
* Adding a rental mix/AMR calculator as a tab.
  + This would include having a calculator that can adjust the amount of RGI and Market units multiply that based on either a breakdown of units to their market value or a percentage of the market value.
* Adding additional funding lines, to revenue, expenses, and operating budget.
  + Adding line items for flexibility in case other areas need funding or removal of funding for scenario modelling.
* Add additional subsidy as a line item
  + Under the subsidy calculation it does not include additional subsidies as a line item even though it is included in the subsidy total. The ability to break that out allows for more transparency in analysis.

**Figure 2: Subsidy Revenue displayed under Schedule Final Tab**



**Phase 3: Tool Settings Cleanup**

***Scope:*** To adjust the Parameter Settings to be more user friendly and to cleanup any areas that do not work in the current EOA tool.

* Change settings under the Parameter settings tab
  + To ensure Subsidy Breakdown and Subsidy Less Mortgage dropdown are working as intended.
  + Fix or remove Allowable operating reserve per unit
  + Remove any parameter settings that no longer work.
  + Remove any columns that are not in use under Master Data and Asset Planner Data tabs.
  + Change the terminology to make that the subsidy surplus sharing is more user friendly.

**Figure 3: Parameter Settings**

| **Parameter Setting** | | **Comment** |
| --- | --- | --- |
| *Surplus Repayable to SM* |  | Continue to indicate a percentage of 0%, 50% and 100% and or custom. Confirm how the formula works with the net income calculation. Hang mentioned entering the % but no notes were found or recorded to use this feature. Clarification required. |
| *(Shelter Occupancy Revenue) Subsidy Calculation Method* | *Subsidy Less Mortgage* | Subsidy Less Mortgage. This feature shows up as green and highlighted but the function when selected indicates a message with respect to a formula- we are not able to activate this feature. We need to understand the back end and what it does in the projection tool. It is a key component to the projection. Please refer to Tim’s version of the tool to see how it was used in the back end. Hang told us that this setting is not really used. But from recent work this requires to be enabled, unless the subsidy by breakdown feature includes the formula calculation for “subsidy less mortgage”. |
| *SM Share of Surplus (to be contributed to CRF)* |  | Continue to indicate a percentage of 0%, 50% and 100% and or custom. Confirm how the formula works with the net income calculation. Hang mentioned entering the % but no notes were found or recorded to use this feature. Clarification required. |
| *Unit Override* |  |  |
| *Allowable Operating Reserve/unit* |  |  |
| *If at the beginning of any FY since termination of the provider's operating agreement, the provider has had an accumulated surplus of $ or greater?* |  |  |
| *As >=$300/unit since 2006?* |  |  |
| *SM Directive of Surplus Sharing* |  |  |
| *CRF Source* | *AP-NRD Sched* | There are three featured options attached to the CRF Source:   * Base projected (green) * AP-NRD Sched (green) * AP-NRS Sched (green)   There is no documentation of AP-NRD or NRS and how these are used in the tool and or the back end, and how these can impact the projection results in the schedule tab. From Hang’s notes, it appears that they could be used but there are no further details about what these actually relate to.  Are they required to be used with another setting? We need a better understanding of what happens when the features are enabled. And some documentation that records when it is used and where it changes the results. |
| *Mandatory transfer type* |  | *This is currently disabled; does it link to the back end to anything currently in the modified version? Sid had a question related to this.* |

**ADDITIONAL IDEAS: REPORTING OUTPUTS- VISUAL CHARTS AND GRAPHS (IN-KIND SUPPORT)**

***Scope:*** Utilizing the data from the schedule tab and viability rating dashboard, the project consultant to develop concept and generate using Excel/Tableau Reader charts and graphs that can support analysis work and/or for presentation to client. Consultant to use the EOA tool with use of client data for working through concept and generating charts and graphs.

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