

YAMPA VALLEY HOUSING AUTHORITY BOARD MEETING
October 19, 2017

Roger Ashton, Yampa Valley Housing Authority Board President, called the meeting of the Yampa Valley Housing Authority to order at 12:00 p.m.

Board members present included: Catherine Carson, Mike Beyer, Roger Ashton, Cole Hewitt, John Spezia, Sheila Henderson, Kathi Meyer, Luke Carrier, Dillon Fulcher, Doug Monger and Craig Malchow (via conference call). John St. Pierre and Trish Sullivan were absent.

Others present included: Jason Peasley, Yampa Valley Housing Authority Executive Director; and Alyssa Cartmill, YVHA Executive Assistant. Sarah Katherman prepared the minutes from a recording.

EN RE: PUBLIC COMMENT

There was no public comment.

EN RE: BOARD MEMBER COMMENT

Catherine stated that copies of the campaign literature would be made available after the meeting. She asked for a copy of the annual report that had been presented to City Council and suggested that it should be posted on the website. She added that in the future, the Board should have the opportunity to review the annual report prior to its being presented. Doug agreed.

EN RE: 2018 YVHA BUDGET

Jason reviewed YVHA's fund accounting. Fish Creek Mobile Home Park, Hillside Village Apartments and the Down Payment Assistance (DPA) Fund operate as independent enterprise funds. The General Fund and the Development Fund are used to operate the organization. Jason said that the salary schedule provides for predictable advancement and salary increases for staff. He reviewed the step and CPI adjustment system.

Jason said that the Existing Assets Committee had gone over the capital improvement plans for Fish Creek and Hillside. He reviewed the highlights of the planned capital improvements projects planned for 2018. Jason said that the Fish Creek management fee had been increased by \$600. Rents will remain the same for the coming year at both properties, but may be increased in 2019.

Jason noted an increase in interest in the DPA program, and said that staff anticipates that the number of loans could increase sharply compared to the past few years. Kathi asked for a report on the DPA program, perhaps quarterly. Doug asked about the repayment of principle under the DPA program. Kathi said that the repayment goes directly back into the DPA Fund. Jason noted that the YVHA financials are reported on a cash basis (rather than accrual) to make them easier to understand in the budgeting process. In response to a question from Craig, Jason stated that the DPA loans are capped at 10% or \$15,000, whichever is less. The loan guidelines are posted on the website.

Catherine suggested that reinstating an on-site representative or part-time manager at Fish Creek would be useful. She recommended revisiting this issue at the Existing Assets Committee level.

In response to a question from Roger, Jason reviewed the timeline for getting the budget finalized and approved.

Mike asked about the Denver/Boulder/Greeley CPI used to adjust salaries. Jason said that the Board approved the use of this index because a more local index is unavailable. Cole stated that the best way to capture high-cost areas is to include Boulder.

Jason said that the Finance Committee considered several options for health insurance. He noted the comparison between the existing plan and the proposed one offered by Rocky Mountain, which has lower out-of-pocket maximums and deductibles. The Finance Committee recommended going with the Rocky Mountain silver plan. Cole reviewed the rationale for that recommendation. There was general consensus to accept this recommendation, as reflected in the draft budget. Cole noted that without good numbers for the capital improvements at Fish Creek, the draft budget currently includes only rough estimates. Jason said that staff is waiting for input from the tenants regarding what improvements to the park they would like. Mike suggested that expenditures in these "placeholder" categories should be reviewed Existing Asset Committee.

Jason noted that the draft budget does not include revenue from the pending ballot initiative. He said that if the tax is approved, there will be a revenue line item in the Development Fund of approximately \$900,000, as well as a corresponding transfer to reserves or expected expenditure. He said that putting money toward a project in 2018 is unlikely, but if a project comes up the expenditure can be made through a supplemental budget. The budget presented in November for approval will reflect the outcome of the election. There was a discussion of whether 2018 revenue (through a grant or donation, for instance) above the estimated proceeds from the mill levy would have to be returned to the voters.

Doug suggested that for the long-term sustainability of the organization, the Board should be aware that with wages increasing with CPI and steps, the expenditures are increasing at faster rate than revenues. Kathi noted that budgeting for step increases does not guarantee that they will occur. Doug stated his support for the budget.

EN RE: EXECUTIVE SESSION

MOTION

Doug moved to enter executive session in compliance with C.R.S. 24-6-402 (4) (a) (regarding the purchase, acquisition, lease, transfer or sale of any real, personal or other property interest; except that no executive session shall be held for the purposes of concealing the fact that a member of the local public body has a personal interest in such purchase, acquisition, lease, transfer or sale), and C.R.S. 24-6-402 (4)(e) (determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators) regarding land acquisition due diligence.

Cole seconded the motion. **The motion carried unanimously.**

EN RE: RESOLUTION 2017-005 SUPPLEMENTAL BUDGET

Jason presented the supplemental budget to authorize expenditures related to due diligence on executing the YVHA development plan. He said that due diligence generally involves site evaluation for a potential future project pending the outcome of the election.

MOTION

Cole moved to approve Resolution 2017-005 authorizing expenditures through the supplemental budget amendment. Catherine seconded the motion.

Under discussion, Doug clarified that the due diligence is not related to any particular property and that the approval is for a supplemental budget of \$5,000. Jason stated that he would work with the Development Committee regarding exactly how this money will be spent.

The motion carried unanimously.

EN RE: CONSENT AGENDA

The following items were presented on the consent agenda:

- a. Review and approval of the September 14, 2017 minutes
- b. Review and approval of balance write-offs for August 2017
- c. Review and approval of the check register for August 2017
- d. Review and approval of the leave report for August 2017
- e. Review and approval of financial statements for August 2017

MOTION

Kathi moved to approve the consent agenda, as presented. Catherine seconded the motion.

Mike expressed concern regarding the \$17,000 sick leave liability. He suggested that this issue should be resolved in the near future. He stated that it is common practice for employees to lose their unused sick leave days at the end of each year; and offered that only a certain number of days should carry-over. Kathi stated that sick leave is not paid out upon termination of employment. Jason said that the accrued sick days could be used, however, and that they provide a safety net for Kate if she should fall ill. This issue will be addressed by the Executive Committee.

The motion carried unanimously.

EN RE: STAFF REPORTS

Jason reported on the progress of the roof replacement at Hillside Village. He said that the bidding process is underway for the sewer system capping project. Jason stated that the old water system was abandoned in place because it ran under every trailer. He said that someone has tapped into the old water system, which is being back-charged with new water, and has blown out in one location. He said they have not yet determined where (or why) the tap-in occurred. Jason also reported that someone had tied into the old sewer line during some construction work, which created the problem that the tenant who disrupted the City Council meeting was complaining about. The sewer problem occurred in the fall of 2016. Jason said that capping the old sewer taps was not part of the scope of work when the sewer system was replaced. He explained that remaining sewage in the old system was pushed up when the main line was flow-filled with cement. This may be the source of odors being reported by tenants. Capping the individual pipes should address the odor issue, and prevent people from trying to tie back into the old system.

In response to a question from Kathi, Jason said that the tenants of unit #7 are moved in and paying rent. Regarding lot #57, Jason said that there has been interest, but that he was not sure if any official applications had been submitted.

Jason reported that he had presented the YVHA annual report to City Council and the Board of County Commissioners. There was a discussion of common misconceptions about affordable housing projects. Jason said that County Commissioner Hermacinski wants the DPA program to be made available to anyone in the County, not just to anyone who lives or works in the YVHA district. He said that a discussion of this request will be added to a future YVHA Board agenda.

Jason reported that the Development Committee is working on creating RFPs for future development partners that include YVHA's goals and priorities for projects. A discussion of those priorities will be on the November Board agenda. The deadline for submitting applications to CHFA for 2018 tax credits is June 1st.

Jason stated that in December the YVHA Board will be reviewing the strategic plan. He said that existing assets; outreach, communication and accountability; future development projects; and housing policy will be topics for discussion.

Alyssa stated that when the power point slides from the state housing conference are released, staff will send the Board an email reviewing the highlights of the conference. Jason stated that one take-away from the conference was that the best way to keep costs down on a project is to have the complete team together as early in the process as possible. He added that another focus of the conference was on how to address not just low-income populations, but also the "middle tier." He said that an effective means of addressing this market is through housing policy. Kathi stated that City intends to develop an incentive-based development code.

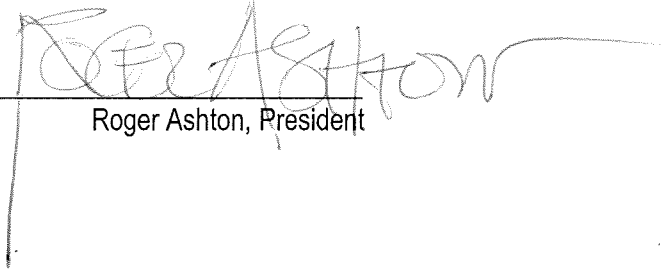
EN RE: ADJOURNMENT

MOTION

Kathi moved to adjourn the regular meeting of the Housing Authority. Mike seconded; the motion carried unanimously.

No further business coming before the Board, same adjourned sine die.

Sarah Katherman, Minute Taker



Roger Ashton, President