

YAMPA VALLEY HOUSING AUTHORITY BOARD MEETING

March 12, 2020

Kathi Meyer, in the absence of Cole Hewitt and Mike Beyer, called the meeting of the Yampa Valley Housing Authority to order at 12:00 p.m.

Board members present included: Catherine Carson, Roger Ashton, Tim Corrigan, Rachel Van Eck, Kathi Meyer, Michael Marchand, Emily Katzman, Roddy Beall, Alison Brodie and Chris Slota. Mike Beyer, Luke Carrier and Cole Hewitt were absent.

Others present included: Jason Peasley, YVHA Executive Director; Alyssa Cartmill, YVHA Executive Assistant; Michael Jenkins, McMahan and Associates; and Bob Schneider, Development Team member. Sarah Katherman recorded the meeting and prepared the minutes.

EN RE: PUBLIC COMMENT

There was no public comment.

EN RE: BOARD MEMBER COMMENT

Michael Ann reported that Lisa at the *Steamboat Pilot & Today* is open to publishing an article on the leasing of Alpenglow. Alyssa and Michael Ann will work on a draft.

EN RE: CONSENT AGENDA

The following items were presented on the consent agenda:

- a. Review and approval of the February 13, 2020 minutes
- b. Review and approval of balance write-offs for January 2020
- c. Review and approval of the check register for January 2020
- d. Review and approval of the leave report for January 2020
- e. Review and approval of financial statements for January 2020

Kathi pulled the financial statements from the consent agenda.

MOTION

Catherine moved to approve items a – d of the consent agenda, as presented. Roger seconded. **The motion carried unanimously.**

Kathi noted that the new format for the financial statements is lacking a revenue line item for the contributions from the City and the County. Sandy said that this is not appearing because the budget was not included.

MOTION

Kathi moved to approve item e of the consent agenda, as amended. Catherine seconded. **The motion carried unanimously.**

EN RE: STAFF REPORTS

Jason said that he had been working on the Sunlight Crossings deal, and would provide more information during executive session. The civil and building permit applications have been submitted for the project. The project is anticipated to close in May, for a June construction start. The Board will be presented the closing documents for review and approval in May. Jason said work is underway on the 4% state tax credit deal with OPG. The

application to CHFA for tax credits will be submitted in August. The details of the deal and the project have not been finalized.

Jason said he had also been working with the Property Management Team on developing a staffing plan for the organization. The Finance Team will be analyzing the implications of different timing scenarios for adding staff, and will report back to the Property Management Team, which will then make a recommendation to the Board.

Catherine asked about unit #18 at Fish Creek. Jason reported that the eviction for failure to pay rent is underway. He said that the unit, which is not for sale, is in poor condition. YVHA is looking at removing and replacing the unit.

EN RE: SUPPLEMENTARY BUDGET AMENDMENT

Jason explained that the supplementary budget amendment is needed to clean up an item that was discovered in the audit process: the DPA program expended more money on direct loans than had been budgeted. The amendment will eliminate the last sentence on page 59 of the audit.

MOTION

Roger moved to approve Resolution 2020-002, a resolution to adopt the second supplemental 2019 budget appropriations to defray expenditures in excess of amounts budgeted in the Down Payment Assistance Fund. Catherine seconded the motion. **The motion carried unanimously.**

EN RE: VACATION TIME CARRY-OVER PLAN FOR KATHLEEN TOTOS

Jason reviewed that last year YVHA had updated its policy regarding the carryover of accrued vacation hours. He explained that last year Kate had issues that prevented her from using vacation time. He said that they had developed a plan for her to utilize the excess hours and reduce the carryover to next year down to the maximum allowed 80 hours. In response to a question from Kathi, Jason said that if Kate is gone for two weeks straight, Kent, Alyssa and he will cover her duties.

MOTION

Chris moved to approve the vacation time carry-over plan for Kate Totos, as presented. Emily seconded the motion. **The motion carried unanimously.**

EN RE: 2019 AUDIT

Mr. Michael Jenkins of McMahan and Associates stated that the annual audit is required by law, but also provides the Board with assurance that the financial statements of the organization are accurate and reliable. He reviewed the audit process and the elements of the audit report. He stated that YVHA had received a clean (unmodified) audit opinion, which is the highest level of assurance. Mr. Jenkins reviewed that the audit includes a government-wide analysis, as well as an analysis of each of the funds. He went through each section of the audit and pointed out the highlights. He said that in addition to the audit of the financials, McMahan and Associates would issue a letter regarding the nature and choice of accounting principles, the management, and business practices of YVHA. He said that the organization and its books are in good condition, and that its accounting principles and policies are conservative, compliant and consistent.

In response to a question from Catherine regarding the comments made on pages B6 and D19 of the audit, Jason reviewed that YVHA had received a grant from the state, which was contributed to the Alpenglow project partnership in the form of a loan. A participation agreement was then sold to OPG as a vehicle to maintain the 60/40 economic split on the project. Jason added that the actual reimbursement amount for the waterline project, for which the grant was awarded, will be adjusted because the project came in under budget. He said that

all of these issues will be solidified in 2020 once all the expenses for the project are known. Kathi suggested that language in the audit should refer to the grant as being for the purposes of the waterline to distinguish it from other grants. Catherine suggested that the note on D19 could be re-phrased to clarify that YVHA made a good deal.

Jason noted that as these development deals are structured, YVHA is learning as it goes how best to represent the complex arrangements most accurately and clearly in the organization's financial statements.

Kathi asked about the \$725,000 capital contribution (page C5) which is treated as an expenditure. She suggested that this ought not to be treated as an expense item. Mr. Jenkins clarified why this item is treated as an expenditure. She asked where the investment in the real estate shows up. Mr. Jenkins reviewed that the government-wide analysis treats the contributions differently than the fund-level analysis, as one employs an accrual basis and the other a cash basis. Kathi asked about the investments to be made in 2020. Mr. Jenkins reviewed how these investments would appear in the financial statements.

Catherine asked about the discussion on D10, and noted that YVHA had de-Bruiced when the mill levy passed. Mr. Jenkins said that this is mentioned on D9, but offered to add a reference on D10 as well.

MOTION

Catherine moved to approve the 2019 audit as submitted with the amendments to the notes as discussed and the budget actual. Chris seconded the motion. **The motion carried unanimously.**

EN RE: EXECUTIVE SESSION

MOTION

Tim moved to enter executive session at 1:10 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 purpose 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) specific to an update on development negotiations.

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


Those participating in the executive session included: Catherine Carson, Roger Ashton, Tim Corrigan, Rachel Van Eck, Chris Slota, Kathi Meyer, Roddy Beall, Alison Brodie, Emily Katzman, Michael Ann Marchand, Jason Peasley, Alyssa Cartmill and Bob Schneider. No minutes were taken.

The YVHA Board exited executive session at 2:15 p.m. No decisions were made.

EN RE: ADJOURNMENT

The regular meeting of the Housing Authority was adjourned at 2:15 p.m.

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



Sarah Katherman, Minute Taker



Cole Hewitt, President