

AGENDA

WESTMINSTER HOUSING AUTHORITY SPECIAL MEETING

MONDAY, DECEMBER 14, 2015

AT 7:00 P.M.

- 1. Roll Call**
- 2. Minutes of Previous Meeting** (July 27, 2015)
- 3. Public Hearings and New Business**
 - A. Resolution No. 62 Approving the 2016 Budget
- 4. Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE WESTMINSTER HOUSING AUTHORITY
MONDAY, JULY 27, 2015, AT 9:35 P.M.

ROLL CALL

Present at roll call were Chairperson Herb Atchison, Vice Chairperson Bob Briggs, and Board Members Bruce Baker, Maria De Cambra, Alberto Garcia, Emma Pinter, and Anita Seitz. Also present were Donald M. Tripp, Executive Director, Hilary Graham, Deputy Attorney, and Linda Yeager, Administrative Secretary.

MINUTES OF PRECEDING MEETING

Vice Chairperson Briggs moved, seconded by De Cambra, to approve the minutes of the meeting of January 26, 2015, as written and distributed. The motion carried unanimously.

RESOLUTION NO. 61 AUTHORIZING SUPPLEMENTAL APPROPRIATION

Board Member Pinter moved, seconded by Garcia, to adopt Resolution No. 61 approving a supplemental appropriation to the 2015 Westminster Housing Authority Budget. At roll call, the motion passed on a 6:1 vote with Board Member Baker dissenting.

ADJOURNMENT

There being no further business to conduct, the meeting adjourned at 9:36 p.m.

Chairperson

ATTEST:

Administrative Secretary

WHA Agenda Item 3 A

Agenda Memorandum

Westminster Housing Authority Meeting
December 14, 2015



SUBJECT: Resolution No. 62 re 2016 Westminster Housing Authority Budget

Prepared By: Ryan Johnson, Senior Projects Coordinator

Recommended Board Action

Adopt Resolution No. 62 approving the 2016 Westminster Housing Authority Budget.

Summary Statement

- The proposed 2016 Westminster Housing Authority (WHA) operating budget of \$19,400 provides funding to cover operational and maintenance costs relative to property owned at 3915 W. 73rd Avenue that is the Rodeo Market Community Art Center.
- There are no additional capital project appropriations anticipated in 2016. Continuing appropriations for 2016 are anticipated to be \$349,229.
- WHA generates no substantial rental revenues from any of the properties as the buildings are made available to the South Westminster Arts Group (SWAG) at \$10 per year to promote and support arts and culture as a component of the South Westminster revitalization efforts.
- WHA's fund balance at the end of 2015 from previous years' excess revenues is anticipated to be \$116,412, which is available to use towards operations and maintenance.
- The proposed operating budget expenses for WHA include \$19,400 in contractual services to cover maintenance, insurance, support to SWAG, and repairs and other miscellaneous expenses.
- The proposed budget also includes a transfer of funds to Community Development Block Grant (CDBG) in order to pay required, quarterly interest payments on the Section 108 Loan.

Expenditure Required: \$19,400

Source of Funds: Westminster Housing Authority estimated rent revenues and prior year excess revenues

Policy Issue

Does the Board of WHA wish to support the activities of Westminster Housing Authority by adopting the proposed 2016 budget?

Alternative

- Reduce the proposed 2016 Westminster Housing Authority Budget. This alternative is not recommended as Staff believes the proposed funding level is essential while continuing to support the endeavors of SWAG by making the space available for its use.
- Do not adopt the proposed 2016 Westminster Housing Authority Budget. This is not recommended as some level of funding is needed to pay for insurance, general operations and maintenance to protect the integrity of the buildings' systems and grounds regardless of occupancy of the buildings. This budget also includes adequate funds to make regular quarterly payments on the Section 108 Loan. An approved budget is necessary to provide funding for these purposes.

Background Information

The Westminster Housing Authority was initially created as a means of constructing and operating the Westminster Commons Senior Apartments at 76th Avenue at 3180 W. 76th Avenue. The senior apartments were sold by the WHA in 2012 to Volunteers of America. However, the WHA continues to provide support towards community development and affordable housing initiatives. The WHA owns property at 3915 W. 73rd Avenue. The property at 3915 W. 73rd Avenue is leased to the South Westminster Arts Group that provides arts and cultural programs for the South Westminster community.

Staff is proposing a total 2016 budget of \$19,400. Of this amount, \$8,400 is requested to be transferred to CDBG to make regular, quarterly interest payments on the Section 108 Loan. The additional \$11,000 is requested to cover contractual services of which \$3,000 is to cover property insurance, general maintenance and repairs to all the buildings, and other incidental costs. The remaining \$8,000 for contractual services is proposed to provide reimbursement to SWAG for utility costs associated with their lease and operation of the Rodeo Market Community Arts Center. As part of its South Westminster Strategic Revitalization Plan, the City initiated an effort to promote arts as a means of attracting new residents and businesses, which resulted in the creation of the SWAG. In an effort to further this initiative, the WHA has regularly agreed to lease the premises to SWAG at a nominal fee (\$10.00/year) and cover the cost for utilities, until such time as SWAG can generate sufficient operating revenues to cover such costs and higher rent. Given SWAG has yet to generate sufficient revenue, WHA in return is not expected to see any revenue generation from SWAG's use of these properties in 2016.

It is estimated that WHA will have an estimated 2015 ending cash balance of \$116,412 that is available to fund the 2016 budget. The 2016 budget would leave WHA with a cash balance of \$97,022, which excludes \$508,977 in cash proceeds remaining from the sale of the Westminster Commons senior apartments, which have not as yet been appropriated. It is proposed that the funds from the sale would be appropriated at such time as they are needed to support an affordable housing project.

Approval of the 2016 WHA budget meets the Westminster City Council's goal of supporting "Vibrant, Inclusive and Engaged Community," whereby continued WHA investment in its properties and the South Westminster community work towards promoting other private investment into the neighborhood.

Respectfully submitted,

Donald M. Tripp
Executive Director

Attachments: Resolution
2016 WHA Proposed Budget

WESTMINSTER HOUSING AUTHORITY

RESOLUTION NO. **62**

INTRODUCED BY BOARD MEMBERS

SERIES OF 2015

**A RESOLUTION ADOPTING THE 2016 BUDGET FOR THE
WESTMINSTER HOUSING AUTHORITY**

WHEREAS, the Westminster Housing Authority is a political subdivision of the State of Colorado, duly organized, existing, and acting pursuant to Section 29-4-201 *et seq.* C.R.S. (the "Act"); and

WHEREAS, the Authority was created to carry out the purposes of a public housing authority pursuant to the Act; and

WHEREAS, the Westminster Housing Authority Board has not yet adopted a formal operating budget for fiscal year 2016 for the Authority; and

WHEREAS, the Westminster Housing Authority anticipates expenditures for various purposes relating to the goals of the Authority.

NOW, THEREFORE, be it resolved by the Board of Commissioners of the Westminster Housing Authority that the attached 2016 Westminster Housing Authority Budget is hereby approved and the amounts stated therein are hereby appropriated for the fiscal year 2016.

PASSED AND ADOPTED this 14th day of December, 2015.

ATTEST:

Chairperson

Authority Secretary

WESTMINSTER HOUSING AUTHORITY
2016 Proposed Budget

	<u>2014 Actual</u>	<u>2015 Budget</u>	<u>2015 Estimated</u>	<u>2016 Proposed</u>
Revenues				
Rental Income	\$ 20	\$ 10	\$ 10	\$ 10
Interest	6,891	-	9,620	-
Other	9,278	-	14,576	-
<i>Total Operating Revenues</i>	<u>16,189</u>	<u>10</u>	<u>24,206</u>	<u>10</u>
Expenditures				
Utilities	3,242	1,500	444	-
Contractual	24,244	13,500	10,672	11,000
Building & Grounds Materials	-	-	-	-
Commodities	-	-	-	-
Contingency	-	-	-	-
Depreciation	57,180	-	-	-
<i>Total Operating Activities</i>	<u>84,666</u>	<u>15,000</u>	<u>11,116</u>	<u>11,000</u>
Net Operating Surplus (Deficit)	<u>(68,477)</u>	<u>(14,990)</u>	<u>13,090</u>	<u>(10,990)</u>
Other Financing Sources (Uses)				
Transfers in (out)	-	-	-	(8,400)
Sale of Assets	94,666	-	-	-
Capital Contributions	265,692	-	-	-
Capital Projects	-	(450,613)	(101,384)	(349,229)
<i>Total other financing sources (uses)</i>	<u>360,358</u>	<u>(450,613)</u>	<u>(101,384)</u>	<u>(357,629)</u>
Net change in cash balance	291,881	(465,603)	(88,294)	(368,619)
Cash balance beginning	623,761	87,798	1,062,912	116,412
Accrual and Balance Sheet Adjustments	<u>147,270</u>	<u>450,613</u>	<u>(858,206) *</u>	<u>349,229</u>
Cash balance ending	<u>\$ 1,062,912</u>	<u>\$ 72,808</u>	<u>\$ 116,412</u>	<u>\$ 97,022</u>

* The remaining portion of funds received from the sale of the Commons Senior Housing project have not yet been appropriated. A portion of these funds was used to payoff the Brownsfields loan and transferred to the Transit Oriented Development project. Staff is in the process of determining the best use of the remaining funds. An adjustment was included for the ending 2015 estimated balance to accurately reflect the amount of cash available at year end for future years.