

Regular Board Meeting
Teton County Old Library
Old Library
320 S. King, Jackson WY

February 21, 2019
2:00 PM



1. Call to Order
2. Pronouncement of Quorum
3. Public Comment
4. Grove Phase 1 Budget
5. Adjourn



MEMO

TO: Jackson/Teton County Housing Authority Board
FROM: Stacy Stoker, Housing Manager
DATE: February 20, 2019
SUBJECT: February 21, 2019 Housing Authority Board Budget

Housing Authority Budget

The purpose of this Special Meeting is for the Housing Authority Board to review and approve the budget for Fiscal Year 2019/2020. The budget is due to Teton County by 5:00 p.m. on February 22, 2019.

There are several key issues/questions and or changes for the Board to consider:

Key issue #1 – Millward Ground Lease Funds:

The account/fund at First Interstate Bank for the Millward Ground Leases was originally set up as a fund to be used only for the Millward Redevelopment and associated expenses. The ground leases called out that the funds were going to be used for Millward. In the past, the Housing Authority has approved use of the funds for a French drain on the property and partial payment for the removal of a tree that fell in a storm. The funds have consistently been used each year to pay for bus passes for the owners (one per household) and the fees for membership in the Teton Village Improvement Services District, which among other things, manages the well that provides water to the area.

In March of 2012, new ground leases began to be put in effect that did not call out how the ground lease funds are to be used. Staff is recommending that the ground lease fees from Millward Redevelopment no longer be deposited in the Millward Ground Lease account, but should be deposited into the main Housing Authority Account to be used as the Housing Authority and Elected Officials determine. Also, that any funds that have been deposited into the Millward account since March 28, 2012 when the new ground leases began to be effective should be transferred to the Housing Authority main bank account. The remaining funds can continue to pay for the bus passes, the Teton Village ISD, and any other use for Millward requested by the HOA that is approved by the Board, until the funds are depleted. This recommendation came upon advice from Keith Gingery, Chief Deputy County Attorney.

Amount to be transferred:	\$36,375
Amount to remain in Millward account:	\$94,818

Key Issue #2 – Supply Account

A Supply Account has been added to the budget to track revenues and expenses that would fall under supply. Staff is recommending that revenues under Supply would be any transfers from the Town and County for purchases of real estate or use for housing supply, proceeds from sale of Housing Authority owned property, receivables of loan interest (Snow King Apartments), receivable of account interest, ground lease fees, and net income from rental properties.

Key Issue #3 – Administration Account

A change has been made to the Administration account. Staff is recommending that Professional Fees (Accounting) that have been divided by an estimated percentage of our Accountant's total time in prior years between developments be tracked under the Administration Account. The prior method is not entirely accurate because the accountant is often used for other reasons besides just working on these developments. An example is his help last year on our Development Expense Breakdown that shows the historical expenses and revenues of all previous developments, purchases, sales and resales. Staff believes it is a more clear and accurate method to include our accountant's Professional fees in Administration. This is also the advice of Stewart Johnson, the Housing Authority's accountant.

Key Issue #4 – Grove Phase 1 Reserves

The Grove Phase 1 budget needs a replacement reserve account. It currently has \$30,000 budgeted for maintenance and repairs. This is based on what has been spent in prior years. It also has included some replacement of appliances, screens, furnace filters, etc. A Facilities Conditions Assessment (FCA) was done on the building January 30, 2018. Staff has not yet received the report back. The report will provide an assessment on each component of the building including but not limited to carpet, appliances, light fixtures, heating/cooling systems, roof, siding, decks, elevator, other mechanical systems, etc. This assessment will inform staff of the life of each component and costs to replace them. Since the report has not been received, staff recommends using \$40,000 from the reserves in the Housing Authority Main account to seed the Grove Replacement Reserve for this year. There is currently a balance of \$211,500 in that account. This will aid us in getting a reserve going, and once the FCA report is received, staff will put together a replacement timeline with associated costs to calculate how much will be needed to add to the account each year to fund replacement in the future. Regular maintenance will continue to be budgeted for annually.

All of staff recommendations in these key issues have been incorporated into the budget document presented today.

Two Suggested Motions:

I move to approve the Housing Authority Budget for FY 2019/2020 as presented and recommended by staff.

Or

I move to approve the Housing Authority Budget for FY 2019/2020 with the following changes: