



**WHEAT RIDGE HOUSING AUTHORITY
A G E N D A
January 26, 2010**

**CITY COUNCIL CHAMBERS
4:00 P.M.**

Prior to the start of this meeting a short reception will be held to honor Lena Rotola, former Housing Authority member and former City Council person.

Individuals with disabilities are encouraged to participate in all public meetings sponsored by the City of Wheat Ridge. Call Heather Geyer, Public Information Officer at 303-235-2826 at least one week in advance of a meeting if you are interested in participating and need inclusion assistance.

- A. Call Meeting to Order**
- B. Roll Call**
- C. Approval of the Minutes: October 27, 2009**
- D. Officers Reports**
- E. Public Forum**
- F. New Business**
 - 1. Resolution 01-2010, Presentation & Approval of 2010 Budget**
 - 2. Resolution 02-2010, Establishing a designated public place for the posting of meeting notices as required by the Colorado Open Meetings Law**
 - 3. Authorization to hire Swanhorst & Company to perform Audit**
 - 4. Rehab Partner**
 - 5. Strategic Planning Session**
 - 6. Election of Officers**
- G. Unfinished Business**
- J. Other**
- K. Adjournment**

WRHA

WHEAT RIDGE HOUSING AUTHORITY MINUTES October 27, 2009

1. CALL MEETING TO ORDER

The meeting was called to order by Chair Brungardt at 4:00 p.m. in the City Council Chambers of the Wheat Ridge Municipal Building, 7500 West 29th Avenue, Wheat Ridge, Colorado.

2. ROLL CALL

Authority members present:

Cheryl Brungardt
Kathy Nuanes
Lena Rotola
Janice Thompson
Katie Vanderveen

Others present:

Sally Payne, Deputy Director
Larry Nelson, Cornerstone Realty
Betty Maybin, Cornerstone Realty
Ann Lazzeri, Recording Secretary

3. APPROVAL OF MINUTES: August 25, 2009

It was moved by Kathy Nuanes and seconded by Lena Rotola to approve the minutes of August 25, 2009 as presented. The motion carried 4-0 with Janice Thompson abstaining.

4. OFFICERS REPORTS

There were no officers reports.

5. PUBLIC FORUM

There were no individuals present to address the Authority.

6. NEW BUSINESS

1. Update on 41st Avenue Property

Larry Nelson reported that there is a buyer for this property. The closing should occur at the end of November.

He is still waiting for a response from Consolidated Mutual Water as to whether or not they will allow a party-wall agreement as opposed to a condominium agreement. FHA will no longer finance condominiums in certain situations such as this one.

2. Update on Rehab Partner

Sally Payne reported that she has been working on an agreement with Eric Stevens as the Authority's rehab partner. The agreement should be finalized within the next month or two.

3. Article in Connections

Sally Payne reported that an article highlighting the Housing Authority will appear in the next publication of Connections. She presented a draft of the article to Authority members for their review.

7. UNFINISHED BUSINESS

Larry Nelson reported that there are no prospective properties available at this time for another Housing Authority project.

8. OTHER

It was moved by Janice Thompson and seconded by Kathy Nuanes that the November and December meetings be canceled unless a need arises to conduct meetings during those months. The motion carried 5-0.

9. ADJOURNMENT

It was moved by Kathy Nuanes and seconded by Lena Rotola to adjourn the meeting at 4:25 p.m. The motion carried 5-0.

Cheryl Brungardt, Chair

Ann Lazzeri, Secretary

**WHEAT RIDGE HOUSING AUTHORITY
RESOLUTION NO. 01
Series of 2010**

**TITLE: A RESOLUTION ENACTING A BUDGET AND
 APPROPRIATION FOR THE YEAR 2010**

WHEREAS, C.R.S. 29-1-103 (1) of the Local Government Budget Law of Colorado requires certain local governmental entities to prepare and adopt an annual budget; and

WHEREAS, the City Attorney has opined that the provisions of the Budget Law apply to the Authority; and

WHEREAS, notice of adoption of this 2010 budget and appropriation was given by the Housing Authority in compliance with C.R.S. 29-1-106; and

WHEREAS, in compliance with the provisions of the Budget Law regarding notice, objections, and hearing, a public hearing was held on this Budget and Appropriation for 2010 by the Authority on January 26, 2010.

THEREFORE, BE IT RESOLVED by the Wheat Ridge Housing Authority as follows:

Section 1. The year 2010 budget as shown on **Exhibit 1** attached hereto is hereby approved.

Section 2. Sources of revenue for the Authority are sales of units rehabilitated by the Authority, Community Development Block Grant funds, and interest earned.

Section 3. Total expenditures of the Authority do not exceed available revenues and beginning fund balance.

Section 4. A certified copy of this resolution shall be filed with the Division of Local Government.

ADOPTED the _____ day of _____, 2010.

WHEAT RIDGE HOUSING AUTHORITY

Chairperson

ATTEST:

Secretary to the Authority

**Wheat Ridge Housing Authority
Proposed Budget**

2010

	2008 Actual	Unaudited Projected 2009	2009 Budget	Proposed 2010 Budget
Ordinary Income/Expense				
Income				
500 - Sale of Units	299,000	520,500	560,405	330,000
530 - Rent	900	0	0	0
535 - Interest Income	10,973	7,520	12,000	8,000
549 - Miscellaneous Income	0	0	500	500
Total Income	<u>310,873</u>	<u>528,020</u>	<u>572,905</u>	<u>338,500</u>
Cost of Goods Sold				
551 - Beginning Cost of Units	1,125,600	745,500	915,268	311,556
555 - Purchase of Units	0	0	0	0
Summary Rehabilitation Costs	99,059	101,556	142,000	0
599 - Ending Cost of Units	<u>-745,500</u>	<u>-311,556</u>	<u>-415,372</u>	<u>0</u>
Total COGS	<u>479,159</u>	<u>535,500</u>	<u>641,896</u>	<u>311,556</u>
Gross Profit	-168,286	-7,480	-68,991	26,944
Expense				
700 - Selling Costs	3,406	950	5,981	602
704 - Buyer Incentives	0	7,092	12,000	4,496
705 - Closing Costs	2,168	3,502	3,604	2,220
710 - Commissions	14,352	24,984	22,001	15,840
720 - Homeowners Association Capital	40	200	0	500
750 - Accounting & Legal	8,200	8,200	8,000	8,000
762 - Bank Charges	1,243	1,145	1,200	1,200
771 - City Reimbursement	4,258	2,525	5,000	4,000
775 - Conference & Meeting Expense	133	209	500	1,500
777 - Contract Services	0	0	0	0
787 - Dues, Books & Subscriptions	100	0	500	100
802 - Gardening & Maintenance	4,208	0	5,600	1,500
803 - Grants	300	0	0	0
804 - Homeowners Association Dues	932	250	3,600	0
807 - Insurance	1,942	1,988	1,800	2,000
820 - Miscellaneous	548	0	0	500
825 - Office Supplies	25	10	250	250
832 - Postage	13	0	100	100
833 - Printing & Copies	0	0	0	0
843 - Repairs	19,585	6,191	2,500	5,000
853 - Supplies	65	0	250	250
857 - Taxes - Real Estate	-651	0	1,000	0
865 - Trash Removal	0	0	500	500
872 - Utilities	6,337	3,470	5,000	3,500
Total Expense	<u>67,304</u>	<u>60,716</u>	<u>79,386</u>	<u>62,059</u>
Net Ordinary Income	-235,690	-68,196	-148,377	-25,115
Other Income/Expense				
Other Income				
564 - CDBG Grant	0	0	0	0
Other (Expense)				
910 - Interest Expense	4,542	0	0	0
Total Other Expense	<u>4,542</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Other Income/Expense	<u>-4,542</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Income	-240,132	-68,196	-148,377	-25,115
Beginning Fund Balance	1,455,192	1,215,059	1,396,185	1,146,863
Ending Fund Balance	<u>1,215,060</u>	<u>1,146,863</u>	<u>1,247,808</u>	<u>1,121,748</u>

01/21/10

Wheat Ridge Housing Authority
Balance Sheet
As of December 31, 2009

	<u>Dec 31, '09</u>
ASSETS	
Current Assets	
Checking/Savings	
113 · 1st Bank - Checking	(284)
120 · 1st Bank - Money Market	830,502
Total Checking/Savings	<u>830,218</u>
Other Current Assets	
155 · 41st Avenue Project	311,556
Total Other Current Assets	<u>311,556</u>
Total Current Assets	1,141,775
Other Assets	
273 · Note Receivable - Baca	8,288
Total Other Assets	<u>8,288</u>
TOTAL ASSETS	<u><u>1,150,063</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
300 · Accounts Payable	3,200
Total Accounts Payable	<u>3,200</u>
Total Current Liabilities	<u>3,200</u>
Total Liabilities	3,200
Equity	
Net Income	(72,697)
465 · Fund Balance	1,219,559
Total Equity	<u>1,146,863</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,150,063</u></u>

01/21/10

Wheat Ridge Housing Authority
Parfet Project
All Transactions

	<u>Dec 24, '09</u>	<u>% of Income</u>
Ordinary Income/Expense		
Income		
500 · Sale of Units	335,500	100%
Total Income	<u>335,500</u>	<u>100%</u>
Cost of Goods Sold		
555 · Purchase of Units	237,000	71%
562 · Acquisitions Costs	172	0%
565 · Condo Map	4,248	1%
567 · Construction Period Maintenance	219	0%
568 · Construction Management	5,145	2%
571 · Homeowners Association	2,500	1%
573 · Rehabilitation - Appliances	2,850	1%
576 · Rehabilitation - Exterior	11,480	3%
580 · Rehabilitation - Various	111,187	33%
581 · Supplies/Materials	293	0%
Total COGS	<u>375,093</u>	<u>112%</u>
Gross Profit	-39,593	-12%
Expense		
700 · Selling Costs	2,251	1%
705 · Closing Costs	2,109	1%
710 · Commissions	16,104	5%
720 · Homeowners Association Capital	40	0%
802 · Gardening & Maintenance	3,841	1%
804 · Homeowners Association Dues	486	0%
832 · Postage	44	0%
843 · Repairs	26,112	8%
853 · Supplies	65	0%
872 · Utilities	4,540	1%
Total Expense	<u>55,592</u>	<u>17%</u>
Net Ordinary Income	-95,185	-28%
Other Income/Expense		
Other Expense		
910 · Interest Expense	19	0%
Total Other Expense	<u>19</u>	<u>0%</u>
Net Other Income	-19	-0%
Net Income	<u><u>-95,204</u></u>	<u><u>-28%</u></u>

01/21/10

**Wheat Ridge Housing Authority
Allison Project
All Transactions**

	<u>Dec 24, '09</u>	<u>% of Income</u>
Ordinary Income/Expense		
Income		
500 · Sale of Units	375,000	100%
530 · Rent	713	0%
Total Income	<u>375,713</u>	<u>100%</u>
Cost of Goods Sold		
555 · Purchase of Units	385,000	102%
560 · Acquisition Appraisal Fees	700	0%
562 · Acquisitions Costs	1,845	0%
567 · Construction Period Maintenance	264	0%
568 · Construction Management	3,559	1%
571 · Homeowners Association	1,750	0%
573 · Rehabilitation - Appliances	45	0%
580 · Rehabilitation - Various	71,171	19%
581 · Supplies/Materials	490	0%
Total COGS	<u>464,824</u>	<u>124%</u>
Gross Profit	-89,111	-24%
Expense		
700 · Selling Costs	950	0%
704 · Buyer Incentives	7,092	2%
705 · Closing Costs	2,051	1%
710 · Commissions	18,000	5%
720 · Homeowners Association Capital	200	0%
802 · Gardening & Maintenance	1,816	0%
804 · Homeowners Association Dues	7	0%
843 · Repairs	2,163	1%
857 · Taxes - Real Estate	-541	-0%
872 · Utilities	4,191	1%
Total Expense	<u>35,929</u>	<u>10%</u>
Net Ordinary Income	-125,040	-33%
Other Income/Expense		
Other Income		
564 · CDBG Grant	112,500	30%
Total Other Income	<u>112,500</u>	<u>30%</u>
Net Other Income	<u>112,500</u>	<u>30%</u>
Net Income	<u><u>-12,540</u></u>	<u><u>-3%</u></u>



Memorandum

TO: Wheat Ridge Housing Authority

THROUGH: Sally Payne, Deputy Director, Wheat Ridge Housing Authority

FROM: Kathy Field, Administrative Assistant

DATE: January 22, 2010

SUBJECT: Resolution Designating a Public Place for the Posting of Notices of Public Meetings

Pursuant to legislative amendments to the Colorado Open Meeting Law at Section 24-6-402(2)(c), Housing Authority is to annually designate at its first meeting for each calendar year a public place for the posting of notices for meeting. By properly designating a place for posting meeting notices, a public entity will be deemed to have given full and timely notice of any meeting so long as notice thereof was posted as the designated place at least twenty-four hours in advance thereof.

Attached is Resolution 02, Series of 2010, which identifies the lobby of the Municipal Building and the City's website as the designated place for posting of meeting notices.

Attachment

1. Resolution 02, 2010

**WHEAT RIDGE HOUSING AUTHORITY
RESOLUTION NO. 02
Series of 2010**

**TITLE: A RESOLUTION ESTABLISHING A DESIGNATED PUBLIC
 PLACE FOR THE POSTING OF MEETING NOTICES AS
 REQUIRED BY THE COLORADO OPEN MEETINGS LAW**

BE IT RESOLVED BY THE WHEAT RIDGE HOUSING AUTHORITY THAT:

Section 1. The lobby of the Municipal Building and the City's website shall constitute the designated public place for the posting of meeting notices as required by the Colorado Open Meetings Law. The Executive Director or his designee shall be responsible for posting the required notices no later than twenty-four (24) hours prior to the holding of the meeting. All meeting notices shall include specific agenda information, where possible.

DATED this _____ day of _____, 2010.

WHEAT RIDGE HOUSING AUTHORITY

Chairperson

ATTEST:

Secretary to the Authority



January 20, 2010

Board of Directors
Wheat Ridge Housing Authority
7500 West 29th Avenue
Wheat Ridge, Colorado 80033

We are pleased to confirm our understanding of the services we are to provide to the Wheat Ridge Housing Authority. We will audit the basic financial statements of the Authority, as of and for the year ended December 31, 2009. Also, the management's discussion and analysis, if prepared, will be subjected to certain limited procedures, but will not be audited.

Audit Objective

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America. Our audit will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the financial statements is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. You are also responsible for all management decisions and functions, for designating an individual with suitable skill, knowledge, or experience to oversee our financial statement preparation services and accepting responsibility for the financial statements.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. You are also responsible for adjusting the financial statements to correct material misstatements and for affirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the basic financial statements taken as a whole.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud received in communications from employees, former employees, regulators, or others. In addition, management is responsible for identifying and ensuring that the Authority complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, or violations of contracts or grant agreements that we may report.

With regard to using the auditors' opinion, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraud that comes to our attention. We will also inform you of any other violations of laws or regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinion on the Authority's financial statements.

An audit is not designed to provide assurance on internal control or to identify deficiencies. However, we will inform the governing board of any matters involving internal control and its operation that we consider to be significant deficiencies or material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Audit Procedures—Compliance

Identifying and ensuring that the Authority complies with laws, regulations, contracts, and agreements is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Audit Administration, Fees, and Other

Our fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, copies, telephone, etc.) except that we agree that our maximum fee, including expenses, will not exceed \$5,000. If the Authority is required to perform a Single Audit, additional fees will not exceed \$2,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Wheat Ridge Housing Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Swanhorst & Company LLC

RESPONSE

This letter correctly sets forth the understanding of the Wheat Ridge Housing Authority.

By _____

Title _____

Date _____