COMMUNITY DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MINUTES

11/14/18

MEMBERS PRESENT: Andy Witt, Sarah Napgezek, Robert Reinertson

MEMBERS ABSENT:

OTHERS PRESENT: Betty Noel, Juli Birkenmeier, Christian Schock

(1) Call Meeting to Order
Meeting was called to order at 8:00 am in the WCDA Boardroom at 550 E. Thomas Street, Wausau, Wisconsin.

(2) Approval of 8/8/2018 Minutes
Reinertson moved to approve the minutes from 8/8/2018. Witt seconded the motion. Motion approved unanimously.

(3) Review of WCDA Accounts and Capital Funds
Noel distributed and reviewed the WCDA’s investment balances as of September 30, 2018. Noel reiterated that funds from the Business Activity account will be used for the new programs that were recently implemented.

Noel reviewed the Capital Fund Program (CFP) summary and noted that she has begun obligating funds from the 2017 grant which carries obligation and expenditure deadlines of August 15, 2019 and August 15, 2021, respectively. Noel furthered that 2017 grant funds will be used for a 2019 concrete repair/replacement project at several of the scattered sites. She reported that HUD awarded additional funds to the 2018 CFP grant bringing that total grant award to $69,203.

(4) Update on Live It Up Program Funding
Noel reviewed a loan activity spreadsheet detailing the use of WCDA funds. She noted that to-date, two loans have closed, totaling $30,000, and an additional $35,000 has been committed.

(5) Review of 2018 3rd Quarter Financials
Noel reviewed the 2018 third quarter financials for the WCDA’s budgeted programs. She gave a brief overview of the Year-To-Date versus Budget line items and explained major variances. She stated that Total Tenant Revenue is approximately $9,000 under budget, of which $8,000 relates to lower occupancy at Riverview Terrace. She noted that Total Other Revenue is approximately $12,000 over budget relating to both CFP Operations and Operating Subsidy revenues. Noel reported that Total Admin Expense is approximately $7,000 under budget due to a mid-year reallocation of a portion of the Occupancy Specialist’s salary to the HCV program. Noel noted that although Total Tenant Service appears to be $50,000 under budget, $46,000 relates to the timing of the Aspirus invoicing for services and meals. Noel explained that Total Other Expense is $10,000 under budget but noted that the variance relates to untimely City invoicing for 2018 property and liability insurance.
Noel then reviewed the 2018 third quarter financials for Riverview Towers LLC, summarizing Year-To-Date versus Budget line items. She reported that Total Tenant Revenue is approximately $17,000 over budget due to maintaining 99% occupancy throughout the year. Noel explained that although Total Utility Expense appears to be $12,000 under budget, $10,000 relates to the timing of the utility bills from Wisconsin Public Service. Noel also noted that Total Extraordinary/Casualty Expense is $4,000 over budget which relates to an April 2018 casualty loss resulting from a broken pipe on first floor.

(6) Review of 2019 Program Budgets

Noel presented the 2019 budget for Riverview Towers LLC projecting increased tenant rent and investment income, as well as increased extermination expense, based on 2018 data. She also increased the administrative salaries by 2.5% but anticipates a budget revision once the City’s wage study has been completed and implemented. Noel furthered that following board-approval, the budget will be submitted to NEF, as required by the Operating Agreement.

Noel presented the 2019 budget for Public Housing projecting an increase in operating subsidy and investment income. She also noted decreased administrative salaries and benefits due to partial reallocation of the Occupancy Specialist and Administrative Assistant’s salary and benefits to the HCV program.

Noel presented the 2019 budget for Riverview Terrace Assisted Living and identified any significant adjustments. She also noted that she projects decreased heating and cooling expenses due to the chiller and boiler replacement project scheduled to begin in spring of 2019.

Lastly, Noel presented the 2019 Housing Choice Voucher budget explaining that although not yet mandated, HUD strongly encourages PHAs to prepare a budget to better assist with financial management of the program. She acknowledged a revised 2019 budget format which eliminates the HAP income and expense line items as they are irrelevant from a budgeting standpoint.

The finance committee will recommend the 2019 budgets for Public Housing, Riverview Terrace, Assisted Living, Riverview Towers LLC, and Housing Choice Voucher for presentation and final approval by the full commission on November 27, 2018, with the caveat that any interim budget adjustments be highlighted to streamline final approval.

(7) Adjourn

Meeting adjourned.

Respectfully Submitted,

[Signature]

Andy Witt
Chairperson