

AGENDA

A meeting of the SAN ANTONIO HOUSING TRUST FOUNDATION, INC BOARD OF DIRECTORS will be held at
the San Antonio Housing Trust Board Conference Room
2515 Blanco Rd., San Antonio, TX 78212
and via video and teleconference
on Thursday, September 23, 2021, at
12:30 p.m. to consider the following
matters:

NOTICE: *This board meeting will be held in person and via Zoom. Members of the public may access this meeting by the free of charge video conference link by logging into the Zoom website no more than 15 minutes before the meeting. An electronic copy of the agenda packet may be accessed at the San Antonio Housing Trust website under the CALENDAR/Board Meeting date page prior to the meeting.*

<https://us02web.zoom.us/j/83313602487?pwd=L0JrVGdWV0xTR3BYRVQ5VUxIdlhYZz09>

or dial in number 1 346 248 7799
Meeting ID: 833 1360 2487
Passcode: 175911

NOTICE: *This meeting of the Board of the San Antonio Housing Trust Foundation, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, Sections 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Executive Director. Closed meeting, if required, is authorized by the statute and will be conducted prior to the conclusion of the meeting. If, during the course of the meeting, any discussion of any item listed on the agenda should be held in closed meeting, the Board will convene in such closed meeting in accordance with Texas Government Code Sections 551.071-551.84. The Board may take action in the open portion of the meeting on items discussed in the closed meeting. The Board will consider, discuss, and take appropriate action regarding the following items.*

1. Call to Order and Roll Call
2. Approval of Board Meeting Minutes for August 20, 2021.
3. Citizens to be heard – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters; a total of 15 minutes will be provided.
4. Briefing, discussion, and possible action regarding Finance Committee recommendation of the FY 2022 SAHT Operating Budget.
5. Briefing, discussion, and possible action regarding the Annual City of San Antonio Professional Services Agreement.
6. Ceremonial Item
7. Adjournment

San Antonio Housing Trust Foundation, Inc.

Agenda Item 2

SAN ANTONIO HOUSING TRUST FOUNDATION
2021 BOARD OF DIRECTORS
MINUTES

DATE: Friday, August 20,2021

TIME AND PLACE: 11:00 a.m.; Zoom meeting; The San Antonio Housing Trust Board Conference Room

PRESENT: Celina Peña, Paul DeManche, John Whitsett and Estrellita Garcia-Diaz

ABSENT: Erica Martinez, John Harris and Hilliard Galloway

STAFF MEMBERS: Pedro Alanis- Executive Director; Nicole Collazo- Finance Director, John Hernandez - Asset Manager, and Robert “Woody” Wilson– Attorney.

VISITORS:

1. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order at 11:00am.
2. **APPROVAL OF BOARD MEETING MINUTES FOR JULY 20,2021.**

Director Paul DeManche motioned and seconded by Director Estrellita Garcia-Diaz for the approval of the July 20, 2021 minutes.

3. **CITIZENS TO BE HEARD-INTERESTED SPEAKERS WILL HAVE 3 MINUTES EACH TO ADDRESS THE BOARD ON AGENDA ITEMS OR HOUSING POLICY RELATED MATTERS; A TOTAL OF 15 MINUTES WILL BE PROVIDED.**

NO CITIZENS TO BE HEARD.

4. **TREASURER’S REPORT-**

Pete Alanis informed the board that the operational budget is in good standing. The unencumbered balance is at about \$780,000. As of now \$570,000 is what is expended and \$256,000 is what is remaining through the end of the year.

NO MOTION NEEDED.

5. **BRIEFING, DISCUSSION, AND POSSIBLE ACTION REGARDING PRESENTATION OF A PRELIMINARY FY 2022 SAHT OPERATING BUDGET**

Pete Alanis is presenting a preliminary budget. In September 16,2020, the San Antonio Housing Trust Foundation Board approved a \$3.52 million operating and programmatic budget for the 2021 fiscal year. Of this amount \$826,855 was budgeted for Foundation Operations. The FY 2021 has a 25% increase in the operation budget amount. The increase is due to cost increases for personnel services, insurance, and 2 new positions added. There will be a Finance Director and a future position for a Community Development Coordinator.

The Personnel service is increasing to \$665,093 in FY 2022. Staff will receive a 2% cost of living allowance along with health insurance stipend, retirement contributions, and leave buy back.

The end of year 25% contribution of revenues from the Public Facility Corporation to the Foundation is \$1,568,315. The end of year 25% contribution from the Finance Corporation to the Foundation is \$222,735. The forecast for FY 2022 of revenues to the Foundation from the PFC and the FC are expected to increase from a FY 2021 budget of \$67,203 to \$1,378,324. The increase is due to expected developer fee payouts from various projects.

NO MOTION NEEDED.

6. BRIEFING, DISCUSSION, AND POSSIBLE ACTION REGARDING FINANCE COMMITTEE RECOMMENDATION OF SELECTION OF AN AUDITING FIRM

Pete Alanis mentioned that the contract with our audit firm, Gregory & Crutchfield ended, an RFQ was posted, and Leal and Carter had the highest score out of the 5 firms. The Finance Committee recommended Leal and Carter.

MOTION OUT OF COMMITTEE TO AUTHORIZE AND EXECUTE ALL DOCUMENTS.

7. EXECUTIVE SESSION: Pursuant to 551.071, 551.072, 551.074 of the Texas Government Code (consultation with attorney, personnel, contracts, real estate, and litigation matters may be discussed)

ANY ITEM DISCUSSED IN EXECUTIVE SESSION MAY BE ACTED UPON IN OPEN SESSION.

8. ADJOURNMENT- Without objection the chair adjourned the meeting at 11:20 a.m.

Signed this _____ of _____, 2021

Respectfully Submitted by:

Secretary

San Antonio Housing Trust Foundation, Inc.
Agenda Item 3

Citizens to be Heard

Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters; a total of 15 minutes will be provided. Instructions to sign up for Citizens to be heard via Zoom video conference.

- To sign up for Citizens to be heard in a Zoom meeting, please send name and organization to chat box.
- You can also call 210-735-2772 to place your name on the list.

San Antonio Housing Trust Foundation, Inc.
Agenda Item 4

Briefing, discussion, and possible action regarding Finance Committee recommendation of the FY 2022 SAHT Operating Budget.

Summary:

Each year the San Antonio Housing Trust Foundation adopts a budget in September for the fiscal year beginning October 1 and ending September 30th. The annual budget is the SAHT Foundation Board's opportunity to focus on key goals and accomplishments over the next 12-month period including improvements in operations and programmatic assistance in line with our mission. However, in the FY 2022 due to the governing board realignment, the budget will focus on the operational needs of the trust. The programmatic priorities, goals, and accomplishments will be deferred to the new realigned board and their 5-year strategic planning process.

Background:

On September 16, 2020, the San Antonio Housing Trust Foundation Board approved a \$3.52 million operating and programmatic budget for the FY 2021 fiscal year. Of this amount \$826,855 was budgeted for Foundation Operations. The overall goal of the board was to utilize external consultants to increase capacity in the areas of asset management, underwriting, grant making, compliance and public engagement. The Foundation also established for the first time, an operational reserve, based on 6 months of operating costs. Programmatically the board targeted to impact inner City neighborhoods that have seen historic and disproportionate disinvestment and to focus funds on disadvantaged populations.

Foundation Budget Narrative

The operating budget proposes a year over year 25% increase from the FY 2021 budget \$826,855 to \$1.04 million for FY 2022. The operational budget increase is primarily due to cost increases for personnel services, insurance, and capital outlays associated with the addition to two staff positions including a Director of Finance. Staff has not proposed any substantial changes to the Operating Budget since the prior board meeting presentation.

Operational Budget

Personnel services

All staff shall receive a 2% COLA increase along with retaining benefits such as the health insurance stipend, retirement contributions, and leave buy back. The Operating Budget provides for a second position, a Community Development Coordinator, which is anticipated to be needed after the Housing Trust completes its five-year strategic plan. While the position would require approval from a future personnel committee, it is recommended that for budgeting purposes, the funding for this position be placed in the fees to pros budget line item.

The Executive Director is also re-classifying the Asset Manager position to Sr. Asset Manager and adjusting compensation accordingly due to the five years of increasing responsibility with the Housing Trust and the Asset Manager training received in FY 2021. The Executive Director is reviewing the Contract Officer position and its duties, which is currently sits vacant. Specifically, we are assessing whether or not to outsource annual compliance functions of our multi-family partnerships to a 3rd party compliance firm due to the growing number of assets that came online in FY 2021 and will come online in FY 2022. If so, the funding would come out of the PFC revenues, similar to our Asset Management tracking functions.

The position maybe eliminated at the conclusion of assessing compliance firms. Currently, the FY 2022 Operating Budget includes the Contract Officer position.

Contractual Services

Contractual services are expected to increase from \$216,008 to \$310,700 from Mid-Year 2021. The main source of the increase is from Fees to Pros for the potential new position, the future Strategic Plan Consultant, PR/Communications Firm, Website Maintenance, Translation Services, and completion of multifamily underwriting guide. The contractual services budget provides for adjustments in financial audit and legal fees due to pending negotiation with new annual contracts with awarded parties that are to be determined.

Commodities

This budget category is increasing from \$13,950 at the Mid-Year 2021 to \$15,700 in FY 2022. Anticipates increases in office supplies for additional staff and utilities for the new year.

Insurance/Other

This budget category will have no change from the Mid-Year 2021 into FY 2022. This should provide for board insurance and public engagements/advertisements in support of the strategic planning process and other community engagement opportunities.

Capital Outlay

This budget category is decreasing from \$11,000 in FY 2021 to \$5,000 in FY 2022.

Operating Reserves

The Foundation established a 6-month reserve policy. The Operating Reserve Budget shall be set at \$519,371. The reserve will be funded at \$285,438 at the start of the fiscal year with \$233,933 being added as revenues come in during the first quarter.

Loans Due to Trust

The Foundation manages a series of loans on behalf of the Housing Trust Fund. Loan Revenues in the amount of \$239,371 are expected to be received throughout the Fiscal Year. Funds are transferred to the Trust Fund at the beginning of FY 2023.

Foundation Revenues

It is estimated that the Foundation shall have \$1.32 million in cash available to fund operations and a portion of the operating reserves at the start of the year but does not have enough cash to fully fund \$233,933 of operating reserve. This was due to expected revenues from the Cevallos sale hitting in September rather than the first week of October. However, due to anticipated cash flow expected in the first quarter and the low risk of impact to the operation budget, staff recommends funding the operating reserve with revenues anticipated in the **first quarter** of FY 2022.

FY 2022 PFC and Finance Corp to Foundation								
	Forecast		Q1	Q2	Q3	Q4	EOY Forecast	
PFC	\$	2,186,522	\$ 1,215,125	\$ 211,981	\$ 411,421	\$ 347,995	\$	2,186,522
FC		30,385	4,770	11,955	7,020	6,640		30,385
Totals	\$	2,216,907	\$ 1,219,895	\$ 223,936	\$ 418,441	\$ 354,635	\$	2,216,907

It is the policy of the PFC and FC to provide 25% of all revenues to the Foundation. The amount of revenue expected to the Foundation is \$2.21 million. However, the Executive Director shall explore the revising this policy to transfer 100% of available funds to the Foundation for deployment back into the community, as part of the 5-year Strategic Planning process for future awards and investments.

Attachment

Proposed Operating Budget

SAN ANTONIO HOUSING TRUST FOUNDATION
FY 2022 Foundation Budget

Description	FY 2021 Mid Year Budget	FY 2021 EOY Estimate	<i>PROPOSED</i> Budget FY2022
Sources			
PFC Contribution	\$ 1,965,682	\$ 647,170	\$ 2,186,522
FC Contribution	216,221	222,735	30,385
Loan Revenues			259,085
End of FY 2021 Estimated Cash Balance			1,324,181
Total Revenues	\$ 2,181,903	\$ 869,906	\$ 3,800,172
Uses			
<i>Personnel Services</i>			
Salaries	\$ 384,167	\$ 377,972	\$ 477,895
Taxes-Payroll	35,065	32,123	38,040
Insurance - Health (Bonus)	56,700	54,000	64,800
Insurance - Life	5,231	281	7,168
Retirement Plan Exp.	46,100	38,576	45,539
Leave Buyback	1,629	1,629	12,250
Taxes-Unemployment	2,000	-	2,000
Insurance - Workmen's Comp	1,090	1,584	1,200
Auto Allowance	6,000	6,505	6,000
Phone Allowance	600	600	1,200
Travel & Training	7,065	1,723	9,000
<i>Subtotal Personnel Services</i>	\$ 545,647	\$ 514,993	\$ 665,093
<i>Contractual Services</i>			
Audit	\$ 16,000	\$ 16,040	\$ 33,000
Contract-Bookkeeping	12,000	11,400	13,500
Legal Fees	25,000	21,000	30,000
Fees to Professional	111,008	44,259	192,000
Maint. & Repairs	45,000	38,039	35,000
Rental of Equipment	3,500	4,601	3,700
Telephone and Internet	3,500	3,790	3,500
<i>Subtotal Contractual Services</i>	\$ 216,008	\$ 139,129	\$ 310,700
<i>Commodities</i>			
Bind, print & reproduction	\$ 200	\$ -	\$ 950
Mail & parcel post	750	715	750
Office Supplies	5,500	5,730	6,000
Utilites	7,500	7,480	8,000
<i>Subtotal Commodities</i>	\$ 13,950	\$ 13,925	\$ 15,700
<i>Insurance/Other Expenditures</i>			
Insurance - Business package	\$ 22,000	\$ 12,680	\$ 25,000
Advertising	12,000	15,775	10,000
Membership, Fees & Licenses	3,000	2,212	3,500
Subscriptions & Dues	3,000	3,405	3,000
Entertainment & food	250	250	750
<i>Subtotal Insurance/Other Expenditures</i>	\$ 40,250	\$ 34,322	\$ 42,250
<i>Capital Outlay</i>			
Equipment purchases	\$ 10,000	\$ 5,037	\$ 3,000
Furniture purchases	1,000	532	2,000
<i>Subtotal Capital Outlay</i>	\$ 11,000	\$ 5,569	\$ 5,000
Total Operations	\$ 826,855	\$ 707,938	\$ 1,038,743
Operating Reserve			\$ 519,371
Loans Due to Trust			\$ 239,371
End of FY 2022 Available Cash			\$ 2,002,687
Total Uses			\$ 3,800,172

San Antonio Housing Trust Foundation, Inc.
Agenda Item 5

Briefing, discussion, and possible action regarding the Annual City of San Antonio Professional Services Agreement.

Summary

Each year, the SA Housing Trust Foundation contracts with the City of San Antonio to manage funds awarded by the Trust and serve as an escrow agent for assisting the City on certain housing programs. The annual agreement allows the Foundation to be the managing entity for the Trust Loan and any future NOFA process for Trust Funds.

The City of San Antonio shall advance City funds to the Foundation to continue to expedite payments for the Homeownership program and the Emergency Housing Assistance program.

Recommendation:

Staff recommends approval of the annual Professional Services Contract for FY 2022 with City of San Antonio.

Attachment:

Professional Services Agreement

San Antonio Housing Trust Foundation, Inc.

Agenda Item 6

Ceremonial Item

On behalf of the San Antonio Housing Trust staff we would like to thank our Board Members for their service and dedication.