

4b. Minutes of the September 15, 2021 Board Meeting

**MINUTES
MEETING OF THE BOARD OF DIRECTORS OF
THE TRUCKEE TAHOE WORKFORCE HOUSING AGENCY**

September 15, 2021, 8:30am

1. CALL TO ORDER: 8:32

Directors Present: Harry Weis, Tahoe Forest Hospital District
Kevin Smith, Truckee Tahoe Airport District
Carmen Ghysels, Tahoe Truckee Unified School District

Absent:

Steven Poncelet, Truckee Donner Public Utility District (arrived at 9:30am)

2. APPROVAL OF AGENDA

No changes made to the agenda.

3. PUBLIC COMMENT

No public comment.

4. CONSENT ITEMS

- a. Minutes of the August 18, 2021 Board Meeting
- b. July 2021 Financials

No public comment.

Motion to approve made by Director Smith. Seconded by Director Ghysels.

Ayes: Director Ghysels, Director Smith, Director Weis

Noes: None

5. REPORTS AND PRESENTATIONS

a. Executive Director Report

Ms Vitas presented updates on agency operations (including the annual agency audit, onboarding of new member agencies, and a proposed Board Retreat in 2021-22), housing programs (long-term rental pilot program, down payment assistance, land mapping, and a master leasing opportunity at Soaring Ranch), regional housing partner efforts, and a proposed housing project in Kings Beach.

6. ITEMS FOR BOARD DISCUSSION

a. Development Opportunity on US Forest Service Land

The board discussed progress and opportunities of a potential workforce housing project in Truckee.

b. Creation of a Down Payment Assistance Program

The board provided direction and feedback on a potential down payment assistance program, to be funded individually by members who choose to participate. Board directed staff to look at other models before proposing a program for board consideration.

7. ITEMS FOR BOARD ACTION

- a. Consider Approval of the TTWHA Training, Education, and Conference Attendance: Guidelines and Reimbursement Policy
No public comment.

Motion to approve made by Director Smith. Seconded by Director Poncelet.
Ayes: Director Ghysels, Director Poncelet, Director Smith, Director Weis
Noes: None

8. DIRECTOR COMMENTS

No Director comments.

9. ADJOURN: 9:44

Motion to adjourn made by Director Ghysels. Seconded by Director Poncelet.

4c. August 2021 Financial Statements

Truckee Tahoe Workforce Housing Agency
Budget vs. Actual: FY 2021_2022
 July - August, 2021

	Aug 2021			YTD			FY 21-22
	Actual	Budget	Remaining	Actual	Budget	Remaining	Budget
Income							
6100 Contribution Revenue							
6104 Government	-	-	-	272,636.00	400,000.00	127,364.00	400,000.00
Total 6100 Contribution Revenue	-	-	-	272,636.00	400,000.00	127,364.00	\$400,000.00
Total Income	-	-	-	272,636.00	400,000.00	127,364.00	\$400,000.00
Gross Profit	-	-	-	272,636.00	400,000.00	127,364.00	\$400,000.00
Expenses							
8000 Salaries & Benefits							
8010 Wages and Benefits	10,201.23	13,891.67	3,690.44	23,399.01	27,783.34	4,384.33	166,700.00
Total 8000 Salaries & Benefits	10,201.23	13,891.67	3,690.44	23,399.01	27,783.34	4,384.33	\$166,700.00
8100 Professional & Outsourced Svcs							
8110 Accounting & Audit	1,230.00	808.33	-421.67	2,235.00	1,616.66	(618.34)	20,000.00
8115 Website Design	-	208.33	208.33	-	416.66	416.66	2,500.00
8130 Legal	764.00	2,083.33	1,319.33	2,073.00	4,166.66	2,093.66	25,000.00
8150 Other Professional Services	500.00	12,916.67	12,416.67	1,034.50	25,833.34	24,798.84	155,000.00
Total 8100 Professional & Outsourced Svcs	2,494.00	16,016.66	13,522.66	5,342.50	32,033.32	26,690.82	\$202,500.00
8200 Sales & Marketing_Community Outreach							
8220 Community Engagement / Business Development	-	125.00	125.00	-	250.00	250.00	1,500.00
8250 Other Sales & Marketing	-	291.67	291.67	-	583.34	583.34	3,500.00
Total 8200 Sales & Marketing_Community Outreach	-	416.67	416.67	-	833.34	833.34	\$5,000.00
8400 Facility Costs							
8460 Telephone & Internet	-	16.67	16.67	-	33.34	33.34	200
Total 8400 Facility Costs	-	16.67	16.67	-	33.34	33.34	\$200.00
8500 Other G&A							
8510 Office Supplies	15.49	83.33	67.84	15.49	166.66	151.17	1,000.00
8540 Office Equipment (non cap)	-	83.33	83.33	-	166.66	166.66	1,000.00
8550 Software & Subscription Svcs	223.49	183.33	-40.16	433.39	366.66	(66.73)	2,200.00
8560 Dues & Subscriptions	-	58.33	58.33	-	116.66	116.66	700
8600 Bank Service Charges	15.95	25.00	9.05	31.90	50.00	18.10	300
8620 Insurance Expense	394.26	1,250.00	855.74	788.52	2,500.00	1,711.48	15,000.00
Total 8500 Other G&A	649.19	1,683.32	1,034.13	1,269.30	3,366.64	2,097.34	\$20,200.00
Total Expenses	13,344.42	32,024.99	18,680.57	30,010.81	64,049.98	34,039.17	\$394,600.00
Net Operating Income	(13,344.42)	(32,024.99)	(18,680.57)	242,625.19	335,950.02	93,324.83	\$5,400.00
Net Income	(13,344.42)	(32,024.99)	(18,680.57)	242,625.19	335,950.02	93,324.83	\$5,400.00

Truckee Tahoe Workforce Housing Agency
Balance Sheet
As of August 31, 2021

	Total	
	As of Aug 31, 2021	As of Aug 31, 2020 (PY)
ASSETS		
Current Assets		
Bank Accounts		
1001 US Bank Checking_6993	262,551	236,495
1002 US Bank Checking_6993_Excess Funds	97,469	-
Total 1001 US Bank Checking_6993	360,020	236,495
1072 Bill.com Money Out Clearing	-	-
Total Bank Accounts	360,020	236,495
Other Current Assets		
2600 Prepaid Expenses	3,943	-
Total Other Current Assets	3,943	-
Total Current Assets	363,962	236,495
Other Assets		
3300 Deposits	1,000	-
Total Other Assets	1,000	-
TOTAL ASSETS	364,962	236,495
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
4000 Accounts Payable (A/P)	24,696	12,909
Total Accounts Payable	24,696	12,909
Credit Cards		
4100 US Bank_Visa_7233	172	141
Total Credit Cards	172	141
Other Current Liabilities		
4205 Other Current Liabilities	-	-
Total Other Current Liabilities	-	-
Total Current Liabilities	24,868	13,050
Total Liabilities	24,868	13,050
Equity		
Retained Earnings	97,469	254,083
Net Income	242,625	(30,638)
Total Equity	340,094	223,445
TOTAL LIABILITIES AND EQUITY	364,962	236,495

4d. Resolutions Approving the TTWHA Agreement and Bylaws
from Proposed New Member Agencies

Meeting Date: October 20, 2021
Prepared By: Emily Vitas, Executive Director
Agenda Item: Resolutions Approving the TTWHA Agency Agreement from New Member Agencies

BOARD REQUEST:

Approve the resolutions received by Town of Truckee, Nevada County, and Placer County, approving the TTWHA agency agreement and bylaws.

BACKGROUND:

At the May, 2021 board meeting, the Board of Directors took action to welcome three new member agencies to the Truckee Tahoe Workforce Housing Agency. Since then, the Town and Counties have completed a number of tasks, as outlined on the attached checklist, to fulfill the requirements to join the agency as new members. The final task, the completion of the resolution approving the TTWHA agency agreement and bylaws, has been completed by the requesting agencies.

Once the resolutions before the board are accepted, the member agencies will be read the Oath of Office and their membership will begin immediately.

MOTION:

This is a consent item, the motion before the board is to accept all consent items. Members of the board can also choose to pull the item for further discussion.

ATTACHMENTS:

New Member Checklist
Resolution: Town of Truckee
Resolution: Nevada County
Resolution: Placer county



TRUCKEE TAHOE
Workforce Housing Agency

TTWHA NEW MEMBER ONBOARDING CHECKLIST

- Invitation Letter from TTWHA
- New Member Intro Call (Scheduled by TTWHA Staff)
- Resolution 1 Approved by Requesting Agency's Board
- Resolution 1 Submission by Requesting Agency Approved by TTWHA Board
- Resolution 2 Approved by Requesting Agency's Board
- Resolution 2 Submission by Requesting Agency Approved by TTWHA Board
- TTWHA Agency Agreement Signed by New Member Agency
- Formal New Member Start Date Established
- New Member Agency Board Representatives Determined: Primary and Secondary
- Before First Official Board Meeting: Meet with Executive Director to Review Work Plans and Current Housing Efforts + Priorities
- TTWHA Invoice Sent for New Member Fees
- Primary and Secondary Representatives: Submit Form 700 and Complete Ethics Training

**TOWN OF TRUCKEE
California**

RESOLUTION 2021-49

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF TRUCKEE APPROVING THE TRUCKEE TAHOE JOINT POWERS AGREEMENT AND BYLAWS AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE AGREEMENT AFTER THE TOWN OF TRUCKEE IS APPROVED AS A MEMBER OF THE TTWHA

WHEREAS, the Truckee Tahoe Workforce Housing Agency (“TTWHA”) is a joint powers authority established on January 22, 2020, for the purpose of establishing an independent public agency, to support and promote the development of workforce housing for Members within the jurisdiction of the Agency; and

WHEREAS, the TTWHA may plan, acquire, develop, finance, create, contract for, or own workforce housing for Member employees and support housing programs that provide workforce housing to Member employees; and

WHEREAS, the existing members of TTWHA include the Tahoe Forest Hospital District, Tahoe Truckee Unified School District, Truckee Donner Public Utility District and Truckee Tahoe Airport District; and

WHEREAS, Placer County and Nevada County may also join TTWHA; and

WHEREAS, pursuant to Resolution 2021-35 the Town has requested that the Board of Directors of TTWHA approve the Town of Truckee as a member of TTWHA; and

WHEREAS, it is necessary to pay a new member fee of \$18,477 plus inflation, plus a proportionate share of the annual operating budget to join the agency; and

WHEREAS, one of the requirements of becoming a member of TTWHA is that the Town of Truckee approve and execute the Joint Powers Agreement and Bylaws for TTWHA.

NOW, THEREFORE, the Town Council hereby finds, determines, and resolves as follows:

1. The Town Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The Town Council hereby approves the Truckee Tahoe Workforce Housing Agency Joint Powers Agreement and Bylaws and authorizes the Town Manager to execute that Agreement upon the adoption of a resolution by the Board of Directors of the TTWHA approving the Town of Truckee as a member of TTWHA.
3. The Town of Truckee hereby appoints the appropriate officer to pay the new member fee of \$18,477, plus inflation, plus a proportionate share of the annual operating budget, once determined, without further authorization from the Council.

4. This Resolution authorizing the Town of Truckee to become a member of TTWHA is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines as it is not a "project" since this action involves organizational and administrative activities of government that will not result in direct or indirect physical changes in the environment. Further, this Resolution is exempt from CEQA as there is no possibility that the resolution or its implementation would have a significant negative effect on the environment.

The foregoing resolution was introduced by Vice Mayor Henderson, seconded by Council Member Zabriskie, at a regular meeting of the Truckee Town Council, held on the 28th day of September 2021 and adopted by the following vote:

AYES: Vice Mayor Henderson, Council Member Zabriskie, Council Member Romack, Council Member Polivy, and Mayor Klovstad.

NOES: none.

ABSENT: none.

DocuSigned by:

Anna Klovstad

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Anna Klovstad, Mayor

ATTEST:

DocuSigned by:

Judy Price

5015D6C8DD27409...

Judy Price, Town Clerk



RESOLUTION No. 21-428

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION APPROVING THE TRUCKEE TAHOE WORKFORCE HOUSING AGENCY JOINT POWERS AGREEMENT AND BYLAWS AND AUTHORIZING THE COUNTY EXECUTIVE OFFICER OR THEIR DESIGNEE TO EXECUTE THE AGREEMENT AND APPROVE THE ONE-TIME AND ANNUAL FEES TO BE PAID BY THE COUNTY IN THE MAXIMUM AMOUNT OF \$26,103 FOR FISCAL YEAR 2021/22, AND AMENDING THE FISCAL YEAR 2021/22 COUNTY EXECUTIVE OFFICE BUDGET (4/5 AFFIRMATIVE VOTE REQUIRED)

WHEREAS, the Truckee Tahoe Workforce Housing Agency (“TTWHA”) is a Joint Powers Agency established on January 27, 2020, for the purpose of establishing an independent public agency, to support and promote the development of workforce housing for members (Tahoe Forest Hospital District, Tahoe Truckee Unified School District, Truckee Donner Public Utility District, and Truckee Tahoe Airport District) within the jurisdiction of the Agency; and

WHEREAS, the TTWHA may plan, acquire, develop, finance, create, contract for, or own workforce housing for Member employees and support housing programs that provide workforce housing to Member employees; and

WHEREAS, the existing members of TTWHA include the Tahoe Forest Hospital District, Tahoe Truckee Unified School District, Truckee Donner Public Utility District and Truckee Tahoe Airport District; and

WHEREAS, Placer County and the Town of Truckee may also join the TTWHA; and

WHEREAS, pursuant to Resolution No. 21-340, the Nevada County Board of Supervisors has requested that the Board of Directors of TTWHA approve the County of Nevada as a member of TTWHA; and

WHEREAS, on August 18, 2021 the TTWHA approved Resolution No. 21-340 received from the Nevada County Board of Supervisors requesting membership; and

WHEREAS, it is necessary to pay a new member fee of \$19,603, plus a proportionate share of the annual operating budget to join TTWHA for a total maximum cost of \$26,103 for Fiscal Year 2021/22; and

WHEREAS, one of the requirements of becoming a Member of TTWHA is that the County of Nevada approve and execute the Joint Powers Agreement and Bylaws for TTWHA.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Supervisors of the County of Nevada hereby finds, determines, and resolves as follows:

1. The Board of Supervisors has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

2. The Board of Supervisors hereby approves the Truckee Tahoe Workforce Housing Agency Joint Powers Agreement and Bylaws and authorizes the County Executive Officer or their designee to execute that Agreement.
3. The Board of Supervisors hereby authorizes the payment of the new member fee of \$19,603, plus a proportionate share of the annual operating budget, once finalized, not to exceed \$6,500, for a maximum total of \$26,103.
4. This Resolution authorizing the County of Nevada to become a member of TTWHA is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines as it is not a "project" since this action involves organizational and administrative activities of government that will not result in direct or indirect physical changes in the environment. Further, this Resolution is exempt from CEQA as there is no possibility that the Resolution or its implementation would have a significant negative effect on the environment.
5. The Auditor-Controller is directed to release \$26,103 from the General Fund Unassigned Fund Balance and amend the County Executive Office budget for Fiscal Year 2021/22 as follows:

Expenditure: 0101-10103-271-1000/521200 \$26,103

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 28th day of September, 2021, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Edward Scofield, Dan Miller, Susan K. Hoek and Hardy Bullock.
Noes: None.
Absent: None..
Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER
Clerk of the Board of Supervisors

By: _____



Dan Miller, Chair

9/28/2021 cc: CEO*
AC*

**Before the Board of Supervisors
County of Placer, State of California**

In the matter of:

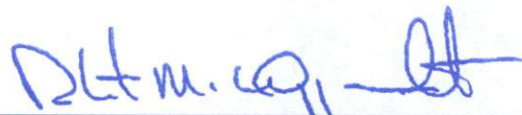
A RESOLUTION OF THE PLACER COUNTY
BOARD OF SUPERVISORS APPROVING THE
TRUCKEE TAHOE JOINT POWERS
AGREEMENT AND BYLAWS AND
AUTHORIZING THE COUNTY EXECUTIVE
OFFICER TO EXECUTE THE AGREEMENT
AFTER THE COUNTY OF PLACER IS
APPROVED AS A MEMBER OF THE TRUCKEE
TAHOE WORKFORCE HOUSING AGENCY

Resolution No.: 2021-299

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held on September 14, 2021, by the following vote:

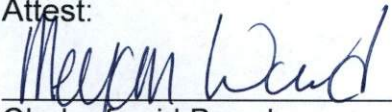
Ayes: GORE, HOLMES, JONES, GUSTAFSON, WEYGANDT
Noes: NONE
Absent: NONE

Signed and approved by me after its passage.



Chair, Board of Supervisors

Attest:



Clerk of said Board

WHEREAS, Placer County's General Plan Housing Element sets forth goals to encourage construction and maintenance of safe, decent, and sound affordable housing in the County; and

WHEREAS, Placer County's General Plan Housing Element sets forth goals to promote housing opportunities that meet the specific needs of residents and workers in the Tahoe Basin; and

WHEREAS, Placer County's General Plan Housing Element includes policies to facilitate expanded housing opportunities that are affordable to the workforce of Placer County; and

WHEREAS, Placer County's Tahoe Basin Area Plan includes policies to address the existing job-housing imbalance and provide additional housing at affordable price levels; and

WHEREAS, Placer County's Tahoe Basin Area Plan includes policies to provide additional opportunities for deed-restricted affordable and moderate income housing; and

WHEREAS, the Truckee Tahoe Workforce Housing Agency ("TTWHA") is a joint powers authority established on January 22, 2020, for the purpose of establishing an independent public agency, to support and promote the development of workforce housing for Members within the jurisdiction of the Agency; and

WHEREAS, the TTWHA may plan, acquire, develop, finance, create, contract for, or own workforce housing for Member employees and support housing programs that provide workforce housing to Member employees; and

WHEREAS, the existing members of TTWHA include the Tahoe Forest Hospital District, Tahoe Truckee Unified School District, Truckee Donner Public Utility District and Truckee Tahoe Airport District; and

WHEREAS, the Nevada County Board of Supervisors approved a resolution requesting to join the TTWHA on July 27, 2021, and the Town of Truckee requested to join the TTWHA on June 8, 2021; and

WHEREAS, pursuant to Resolution No. 2021-263, the County of Placer has requested that the Board of Directors of TTWHA approve the County of Placer as a member of TTWHA; and

WHEREAS, it is necessary to pay a new member fee of \$18,477 plus inflation, plus a proportionate share of the annual operating budget to join the agency; and

WHEREAS, one of the requirements of becoming a member of TTWHA is that the County of Placer approve and execute the Joint Powers Agreement and Bylaws for TTWHA.

NOW, THEREFORE, the Board of Supervisors of Placer County hereby finds, determines, and resolves as follows:

1. The Board of Supervisors of Placer County has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The Board of Supervisors of Placer County approves the Truckee Tahoe Workforce Housing Agency Joint Powers Agreement and Bylaws and authorizes the County Executive Officer to execute that Agreement upon the adoption of a resolution by the Board of Directors of the TTWHA approving the County of Placer as a member of TTWHA.
3. The Board of Supervisors of Placer County hereby appoints the appropriate officer to pay in an amount not to exceed \$50,000, approved on July 27, 2021, for the County's member fee of \$18,477, plus inflation, and Placer County's proportionate share of the annual operating budget to the Truckee Tahoe Workforce Housing Agency.
4. This Resolution authorizing the County of Placer to become a member of TTWHA is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines as it is not a "project" since this action involves organizational and administrative activities of government that will not result in direct or indirect physical changes in the environment. Further, this Resolution is exempt from CEQA as there is no possibility that the resolution or its implementation would have a significant negative effect on the environment.

Exhibits

Exhibit 1: Truckee Tahoe Workforce Housing Agency Joint Exercise of Powers Agreement

Exhibit 2: Truckee Tahoe Workforce Housing Agency Bylaws

5a. Acceptance of New Member Agencies

Meeting Date: October 20, 2021
Prepared By: Emily Vitas, Executive Director
Agenda Item: Acceptance of New TTWHA Member Agencies

BOARD REQUEST:

Accept Nevada County, Placer County, and the Town of Truckee as new member agencies to TTWHA.

BACKGROUND:

On December 10, 2020 TTWHA received a joint letter from Nevada County, Placer County, and the Town of Truckee requesting that the agency consider expansion to include their agencies. In response to this request, the agency contracted with Municipal Resource Group to conduct research around the possibility of expansion, and the benefits and challenges to welcoming entitlement agencies as members. A report was presented in March, 2021 stating the expansion would be of benefit to all parties, with a recommendation to welcome the three requesting agencies as new member agencies. The board took action to invite the requesting agencies to join TTWHA at the May 19, 2021 board meeting.

The three requesting agencies have completed all tasks required to join as new member agencies, including introductory and follow-up calls with TTWHA board and staff and the passing of two resolutions requesting to join the agency and approving the agencies agreement and bylaws.

If accepted, the new agencies' memberships will begin immediately.

MOTION:

I move to accept Nevada County, Placer County, and the Town of Truckee as new member agencies of the Truckee Tahoe Workforce Housing Agency.

I move to take no action.

ATTACHMENTS:

Request for Consideration of TTWHA Expansion to Include Nevada County, Placer County, and the Town of Truckee
New Member Agency Expansion Report, prepared by Municipal Resource Group



December 10, 2020

Emily Vitas
Executive Director
Tahoe Truckee Workforce Housing Agency
10038 Meadow Way
Truckee, CA 96160

Dear Ms. Vitas,

We would like to take the opportunity to congratulate the Tahoe Truckee Workforce Housing Agency (TTWHA) for stepping up to serve the housing needs of your employees in such an innovative, meaningful and impactful way. We understand that the four member agencies, Tahoe Truckee Unified School District, Tahoe Forest Hospital District, Truckee Donner Public Utility District and the Tahoe Truckee Airport District, are committed to finding solutions to support your employees through the development of the Joint Powers Agreement (JPA). We applaud your efforts. Though you are only a year into building the entity, we are impressed with the progress you have achieved to-date.

We are reaching out to request an opportunity to discuss the possibility of expanding the TTWHA membership to include our agencies---Placer County, Nevada County and the Town of Truckee. All three agencies are committed to developing solutions to regional housing challenges, and we see the TTWHA as a promising pathway for collaborating on programs, strategies and funding for housing needs.

The following bullet points outline why our agencies are interested in pursuing a conversation with TTWHA about the possibility of participating with the other entities.

- Employees at our three agencies are struggling to find housing as well. We are interested in participating in employee housing programs that could benefit our employees;
- We are interested in the JPA's unique model to work across jurisdictional lines to share resources and implement programs;
- The Town of Truckee and Placer County will have new resources for housing in 2021 due to local tax and Tourism Business Improvement District initiatives and we are interested in exploring ways to serve the region through strategic alliances and partnership;
- All three of our agencies have land that we are interested in developing for housing. We believe partnering with other area public agencies to create housing on these sites is smart and efficient;
- All three partners are interested in discussing the possibility of expanding the mission of TTWHA to serve both the employees of the members, and the employees of other regional employers.

We are aware that our three agencies are land use planning entities and as such, we are open to discussions about how to structure possible membership so as not to create any conflict of interest situations.



To meet the significant housing needs of the Tahoe Truckee region, we need to create and support innovative solutions such as the TTWHA members have formed. We believe expanding membership to other local jurisdictions and agencies could increase the JPA's ability to support, acquire, develop, construct, and contract for housing to serve the region's entire workforce. Maximizing investments in safe, stable, and affordable housing for the whole region will help sustain the members' employees as well as the regional workforce, which will strengthen our collective communities and economies.

We look forward to the opportunity to speak with you about potential membership opportunities.

Sincerely,

Todd Leopold,
Placer County Executive Officer

Jennifer Callaway,
Town of Truckee Town Manager

Alison Lehman,
Nevada County Executive Officer

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

New Member Agencies Project



Prepared by

Mike Oliver and Craig Whittom

Municipal Resource Group, LLC

March 2021

I. PURPOSE OF PROJECT

The Truckee Tahoe Workforce Housing Agency (TTWHA) received a letter co-signed by the Town of Truckee, Nevada County and Placer County requesting “the opportunity to discuss the possibility of expanding the TTWHA to include our agencies.” MRG was retained to provide advice regarding this request and develop recommendations for onboarding processes, funding structure, membership, voting rules and other considerations.

II. MRG PROCESS

MRG reviewed the request by the three agencies, evaluated TTWHA formation documents and reviewed the request with the law firm that drafted the formation documents (Richards Watson and Gershon). We also reviewed other JPA’s operating procedures and formation documents. MRG conducted status calls with the TTWHA Executive Director and Board representative Ted Owen. MRG received feedback from the Executive Director and Board representative Ted Owen after their February 26, 2021 meeting with the three agencies.

III. RECOMMENDATIONS

MRG recommends the Board accept all three agencies as members. The addition of these three agencies has the potential to accelerate the creation of housing for member agency employees. The resources of the three agencies (buy-in payment, contribution to operating budget, potential development sites, dedicated revenues and housing staff expertise) will allow the TTWHA to achieve its housing objectives more quickly.

The following specific recommendations will ensure that the TTWHA retains the ability to operate efficiently within the boundaries of the founding members and maintain equitable funding among all member agencies.

Formation Documents (JPA Agreement and By-Laws)

- A. Jurisdiction boundaries of TTWHA. Modify formation documents. Add boundary map that restricts TTWHA activity boundaries to those jurisdictional boundaries of the original four member agencies.
- B. Voting rights. Provide full membership and voting rights. No change to formation documents. This is the simplest and most equitable structure.
- C. By-Laws requirements for unanimous vote (adding new members, bond issuance, eminent domain and termination). Modify formation documents. Require super majority (5 votes) versus the current requirement for unanimous approval for described actions. This will allow for efficient consideration of those important actions that currently require unanimous approval.

Conflict of Interest

MRG evaluated whether there could be a conflict of interest regarding future JPA projects requiring Town of Truckee, Nevada County or Placer County entitlement review and approval. MRG conferred with Richards Watson and Gershon on this specific question. The answer is no. There is long-standing precedent in California (e.g. other JPAs, former redevelopment agencies) for permitting agencies to be members of JPAs that are involved in projects requiring local agency permits.

Financial Considerations

- A. Annual Operating Budget. Based on number of employees served by the TTWHA, all seven agencies should be treated equally in the allocation of annual operating cost expenses. This allocation methodology is equitable and directly related to the beneficiaries (employees) of the TTWHA's mission. If TTWHA accepts the three new agencies, MRG recommends:

Town of Truckee - Use total employees in the same manner founding members use total employees (e.g. total non-seasonal FTEs in most recent approved budget). 0-21 Adopted Budget. 131 total employees in FY 2020-21 Adopted Budget.

County of Nevada - Establish the number of employees that would reasonably benefit from TTWHA activities. This number would be a fraction of the 807 total Nevada County employees (FY 2020-21 Proposed Budget).

County of Placer - Establish the number of employees that would reasonably benefit from TTWHA activities. This number would be a fraction of the 2,694 total Placer County employees (FY 2020-21 Proposed Budget).

The number of new member agency employees that would reasonably benefit from TTWHA activities for the two counties are important numbers to establish. These employee numbers should be agreed upon with each agency prior to the three agency Boards taking their respective actions to formally request membership in the TTWHA.

- B. Buy in fee. The Board has broad authority to place conditions on new members. The new member fee should be simple and equitable. MRG recommends two components to the buy in:
1. *A founding member fee of \$18,477.68*. Each new member pays the same amount that the founding member agencies paid to create the TTWHA. This is an equitable requirement.
 2. *A prorated share of the annual budget based on the number of employees that will reasonably benefit from TTWHA activities*. If the member agencies are admitted on July 1, 2021, they should be responsible for their proportional share of the FY 2021-22 budget. If the member agencies are not admitted on by July 1, 2021, they should be responsible for a pro-rated proportional share of the current fiscal year budget upon admission. As of the date of membership, the current year TTWHA budget would be recalculated to include the new member agency(s).

This buy in payment, and proportional contribution to the FY 2021-22 operating budget, should be agreed upon with each agency prior to the three agency Boards taking their respective actions to formally request membership in the TTWHA.

IV. CONCLUSION

Based on our research, discussions with TTWHA representatives and our consulting law firm we believe the addition of the City of Truckee, Nevada County and Placer County to the TTWHA will significantly enhance its effectiveness in creating workforce housing in the greater Truckee-Tahoe area. The resources and expertise these three new members offer will enhance the TTWHA's ability to better serve the employees of the member agencies.

6a. Executive Director Report

Meeting Date: October 20, 2021
Prepared By: Emily Vitas, Executive Director
Agenda Item: Executive Director Report

AGENCY OPERATIONS

Part-time Housing Program Manager Position

We are beginning the hiring process for a part-time Housing Program Manager. The manager will oversee the employee concierge program and will support the development and execution of other housing-related activities. We'd like to fill the role by early 2022.

TTWHA HOUSING PROGRAMS & PROJECT UPDATES

Forest Service Site

We continue to work with Forest Service staff on identifying the opportunity for workforce housing on this site. Auerbach Engineering is currently completing the Land Survey, materials will be ready for review at the November board meeting. Additionally, we are working with Forest Service staff to set a meeting with the Tahoe National Forest Forest Supervisor to discuss a formal agreement between our agencies, should the Board choose to move forward with this site.

Long-term Rental Pilot Program

The Long-term Rental Pilot Program is included in the October 20 board packet for board consideration. If approved, the program will go in to effect November 1. The program is an evolution of our original Housing Match Program with Landing Locals (17 homes unlocked in 12 months), and proposes incentives including property management, tenant selection and vetting, and a lease guarantee by the Workforce Housing Agency.

Down Payment Assistance Program

Based on feedback at the September 15 board meeting, staff is conducting further research around home purchase assistance programs and connecting with potential partnering entities.

Master Leasing Opportunity at Soaring Ranch Development

Conversations continue with JMA Ventures on this opportunity.

COMMUNITY ENGAGEMENT

The following list includes those that I have met, and community meetings I've attended, since our last board meeting. Please let me know if you'd like further information on any of these connections.

Community Meetings and Presentations

Meetings:

Mike Sahlmen, Westface Partners

Seana Doherty, Town of Truckee – Monthly Check-in

Walter Auerbach, Auerbach Engineering – TTWHA Land Survey

Events/Gatherings:

MHC Community Meeting: Housing Funders Network

Placer County: Housing Trust Fund Meeting

Town of Truckee: Housing Program Advisory Group

REGIONAL HOUSING UPDATE

The following is not a comprehensive list of regional housing activities, rather an overview of updates that have been gathered through meetings over the previous month/s.

Mountain Housing Council

- The quarterly council meeting will be held on Friday, October 22

Placer County

- Supervisor Gustafson hosted a conversation with Dan Heldridge, the CEO of [Housing Trust Placer](#) to provide information on their efforts and the Housing Trust model. Housing Trust Placer was founded in 2020 to pursue financing and services to increase housing opportunities for lower income families. In addition to private donations and government funding pursuits, the Trust will receive a portion of Placer County's in-lieu fees to fund housing purchase and development. There is interest in this model among Eastern County businesses. I am meeting with Dan directly to further discuss financing models and partnership opportunities.
- The moratorium on Short-term Rentals was extended until March 2022 to allow for County staff to conduct research and analysis in to the impact of STRs on the North Lake Tahoe community.
- Workforce Housing Preservation Program: Launched in July, 2021, the program has received nine partial applications and one complete application, with the home currently in escrow. We are working with County staff to understand how a proposed TTWHA Down Payment Assistance Program can complement this program.

Town of Truckee

- Staff have convened a small advisory group to develop the Below Market Rate Housing Program. The program will offer rental and for-sale options for the local workforce by creating a separate, deed-restricted inventory of homes that only income-qualified applicants can participate in. The BMR Program would give the Town a tool to purchase deed restrictions on market rate rental or for-sale homes to build the long-term inventory of deed-restricted housing in Truckee. I am participating on the advisory committee and will keep the board updated on progress.

DEVELOPER CONNECTIONS AND PROJECT UPDATES

Hopkins Village

There are currently 30 qualified buyers for the 40-unit development. Dan Fraiman, the developer, will be reaching out to them in the next month to start the letter of intent to purchase process. The first building (2 units) is close to completion and we are working with Mr. Fraiman to allow access to a unit for walk-throughs for our employees.

ATTACHMENTS

2021-25 TTWHA Housing Work Plan

TTWHA Opportunity Tracker

TTWHA Housing Work Plan 2021-25

FOCUS AREAS	1. Lease/Develop Workforce Housing 2. Expand Housing Programs and Services 3. Develop Non-housing-related Programs to Ease the Burden of Housing Costs	TARGETS	Year	Employees Served %	# Served
			2021	1.00%	17
			2022	1.50%	25
			2023	2.50%	42
			2024	5.00%	83
			2025	10.00%	167
			Total	0.20	333

Activity	Goal	Timeframe	Status Towards Targets (5/21/21)	Lead/Support	% of Staff Time	2021-22 Budget
Focus Area 1: Lease/Develop Workforce Housing - 40%						
Development of Workforce Housing	Develop housing on member agency-owned land	January Start First project under const. Dec 2025		ED / Member Agency Ad-hoc	20	\$75,000.00
Master Leasing Program	Secure member agency-leased units to increase access and affordability for employees	March Start Program launch September 2021		ED / Agency Staff / Regional Partners	20	Agency Opt-in
Short-term Housing	Master lease units for emergency / new hire needs	See Master Leasing		ED	5	-
Focus Area 2: Expand Housing Programs and Services - 40%						
Employee Concierge for Housing	Support employees in their search for housing	Ongoing Hire PT support staff late 2021	80 employees served	ED / Support Staff	10	Staff Time
Unlock Existing Units	Unlock existing units for long-term lease through incentives and programs	Ongoing Launched July 1, 2020	15 Placements	ED / Landing Locals	5	\$75,000.00
Pathway to Ownership	Increase # of employees buying homes in the region through education and funding	April Start	1 Purchase	ED / Realtors/Lenders	10	-
Education + Outreach						\$5,000.00
Down Payment Assistance						Agency Opt-in
Loan Products						TBD
Existing Homeowner Support	Provide education/tools to existing homeowners to upgrade their homes	May Start		ED / TDPUD	5	Staff Time
Reduce Insurance Barriers / Expenses	Provide insurance access and affordability by combining member agency resources	March Start		Member Agencies / ED	5	Agency-led
Focus Area 3: Develop Non-housing Related Programs to Ease Burden of Employee Housing Costs - 20%						
Transit-related Incentives and Education	Increase awareness and education around transit opportunities for employees	August Start		Member Agencies / ED	10	Agency-led
Child-care Partnerships and Offerings	Explore resource-sharing to increase child-care access / affordability	October Start		Member Agencies / ED	10	Agency-led
						\$155,000.00

*# of Employees Served = Employees that were able to access housing and/or housing programs through agency support / offerings

TTWHA Opportunity Tracker

Opportunity	TTWHA Status	Project Name	Location	Development Details	Development Status	Housing Affordability	Developer	Owner/ Manager	Contact Name	Notes
Development										
Develop	Land Study Map complete - Auerbach Engineering Site Walks: Rick Holliday, Dan Fraiman, Luke Watkins	USFS Land	Truckee	Workforce Housing Development				USFS	Jonathan Cook Fisher	
Member Agency Parcels	Land mapping exercise complete Meeting with entitlement agencies		Various	Workforce Housing Development						
	Negotiations in progress	Soaring Ranch	Truckee	69 units - multi-family	Application Approved	61 market-rate 8 low income	JMA Ventures		Art Chapman	
	On hold - preparing ask	Silver Creek	Truckee	40 units - 6 inclusionary	Application Submitted Securing Financing	34 180% AMI 6 inclusionary	Reza Shera		Reza Shera	
For-Purchase Product										
Employee purchase JPA Partnership	In contact	Brockway Rd Site	Truckee	TBD - 60-90 For-sale units	Planning stages	TBD	Chris Romero		Chris Romero	
Employee purchase	In contact	Hopkins Village	Truckee	40 townhomes - for-sale \$575,000	2 units complete	180% AMI	Dan Fraiman		Dan Fraiman	
Involvement TBD										
	Receiving updates via Placer County Staff	Dollar Creek Crossing	Tahoe City	TBD	Feasibility Study Underway	TBD		Placer County	Shawna Purvines Emily Setzer	
	Connected	Workforce Housing	Kings Beach	TBD	Securing financing	TBD			Reza Shera	
	Connected	Jibboom Street	Truckee	83 units mixed - for-sale and rent	Application Pending	Mixed income levels			Sean Whelan	
	Need to connect with owner	Hilltop Property	Truckee	TBD - Land Available				Allen Redford	Patty Baird	99-year lease / Community Land Trust
	Reconnect with Alex in October 2021	Mourelatos Property	Tahoe Vista	TBD - Land Available	Land Use Planning in progress	Mixed income levels		Alex Mourelatos	Alex Mourelatos	
Affordable Housing										
	Connected - advertising to employees	Coldstream Commons	Truckee	48 units	Near Complete	Low-income	Neighborhood Partners LLC		Luke Watkins	Cannot be master leased
	Connected - advertising to employees	Meadowview Place	Truckee	56 units	Near Complete	Low-income	Neighborhood Partners LLC		Luke Watkins	Cannot be master leased
	Connected - advertising to employees	Frishman Hollow II	Truckee	78 units	Under construction	Low-income	Pacific Group		Seana Doherty	Cannot be master leased
	Connected - advertising to employees	Truckee Artist Lofts	Truckee	77 units	Complete	Low-income	CFY Development		Seana Doherty	Cannot be master leased
Non-pursuit										
	Declined: Deed restriction wouldn't allow for master lease	Donner Lake 6	Truckee	TBD	Securing financing	TBD			Reza Shera	Circle back in September
	Pass: Above market-rate for-sale product	Elements at Coldstream	Truckee	TBD	Under construction	Market-rate		BUILT - Investor Group	Clint Stitser	Circle back in September

7a. Financial Statements and Independent Auditor's Report
for Fiscal Year Ending June 30, 2021

Meeting Date: October 20, 2021
Prepared By: Emily Vitas, Executive Director
Agenda Item: Consider Acceptance of the Financial Statements and Independent Auditor's Report
for Fiscal Year Ending June 30, 2021

BOARD REQUEST:

Accept the financial statements and independent auditor's report for Fiscal Year 2020-21.

BACKGROUND:

The audit work was completed in September by James Marta & Company. The auditor's report is a "clean" opinion.

The findings in the report are not subject to change by the board after the report is submitted. Consequently, the board action is not to approve/disapprove, but to accept the report.

MOTION:

I move to accept the financial statements and independent auditor's report for the 2020-21 Fiscal Year as prepared by the auditors.

I move to take no action.

ATTACHMENTS:

Communication with Governance Letter
Internal Control Letter
Financial Statements with Independent Auditor's Report



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors
Truckee Tahoe Workforce Housing Agency

We have audited the financial statements of Truckee Tahoe Workforce Housing Agency (TTWHA) as of and for the fifteen months ended June 30, 2021, and have issued our report thereon dated October 15, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 24, 2021 and the addendum dated October 12, 2021, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of TTWHA solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding significant control deficiencies over financial reporting and other matters noted during our audit in a separate letter to you dated October 15, 2021.

Planned Scope and Timing of the Audit

The audit was completed later than planned due to the late closing and adjustment of the books.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate and our firm, has complied with all relevant ethical requirements regarding independence.

We follow the AICPA Ethics Standard Rule 201C, in conjunction with this, we annually review with all engagement staff potential conflicts and obtain a conflict certification. In addition, we inquire on each engagement about potential conflicts with staff. We have not identified any relationships or other matters that in the auditor's judgment may be reasonably thought to bear on independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by TTWHA is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the fifteen month period ended June 30, 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

There are currently no particularly sensitive estimates affecting the financial statements.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting TTWHA's financial statements relate to claim liabilities.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. We have not identified any uncorrected misstatements as a result of our audit procedures.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We have not identified any corrected misstatements as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to TTWHA's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October 12, 2021.

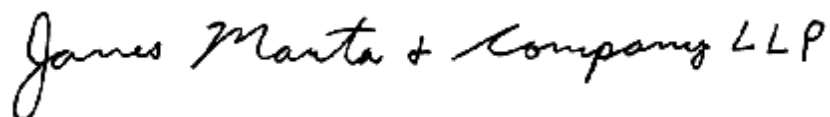
Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with TTWHA, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as TTWHA's auditors.

This report is intended solely for the information and use of the Board of Directors and management of Truckee Tahoe Workforce Housing Agency and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company, LLP
Certified Public Accountants
Sacramento, California
October 15, 2021

**Attachment A – Upcoming Changes in Accounting Standards
As of June 30, 2021**

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the Trust in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the Trust. For the complete text of these and other GASB standards, visit www.gasb.org and click on the “Standards & Guidance” tab. If you have questions regarding the applicability, timing, or implementation approach for any of these standards, please contact your audit team.

GASB Statement No. 87, Leases

Effective for the fiscal year ending June 30, 2022

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities.

We do not expect this standard to have any significant impact on the JPA at this time.

GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period

Effective for the fiscal year ending June 30, 2022

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

We do not expect this standard to have any significant impact on the JPA at this time.

GASB Statement No. 91, Conduit Debt Obligations

Effective for the fiscal year ending June 30, 2023

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

We do not expect this standard to have any significant impact on the JPA at this time.

GASB Statement No. 92, Omnibus 2020

Effective dates vary

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports – *Effective for the fiscal year ending December 31, 2021*
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan – *Effective for the fiscal year ending December 31, 2021*
- The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits – *Effective for the fiscal year ending December 31, 2021*
- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements – *Effective for the fiscal year ending December 31, 2021*
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition – *Effective for the government acquisitions occurring in reporting periods beginning after June 15, 2020*
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers – *Effective for the fiscal year ending December, 2021*
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature – *Effective for the fiscal year ending December 31, 2021*
- Terminology used to refer to derivative instruments. – *Effective for the fiscal year ending December 31, 2021*

The JPA is currently assessing the financial statement impact of GASB 92.

GASB Statement No. 93, Replacement of Interbank Offered Rates

Effective for the fiscal year ending June 30, 2023

The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended

Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

We do not expect this standard to have any significant impact on the JPA at this time.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

Effective for the fiscal year ending June 30, 2024

The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

We do not expect this standard to have any significant impact on the JPA at this time.

GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance
Effective immediately

The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of the preceding statements have been updated to reflect the impact of the issuance of GASB 95.

The JPA is currently assessing the financial statement impact of GASB 95.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements
Effective for the fiscal year ending June 30, 2023

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

We do not expect this standard to have any significant impact on the JPA at this time.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32
Effective dates vary

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

We do not expect this standard to have any significant impact on the JPA at this time.



TRUCKEE TAHOE
Workforce Housing Agency

MANAGEMENT REPRESENTATION LETTER

October 15, 2021

James Marta & Company LLP
Certified Public Accountants
Sacramento, California

This representation letter is provided in connection with your audit of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows of Truckee Tahoe Workforce Housing Agency as of June 30, 2021 and for the fifteen months then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of Truckee Tahoe Workforce Housing Agency in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of October 15, 2021:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 24, 2021 and the addendum dated October 12, 2021 for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We acknowledge that we are responsible for distributing the issued report as well as the communication with governance letter and internal control letter to all governing board members.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.



TRUCKEE TAHOE
Workforce Housing Agency

- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.



TRUCKEE TAHOE
Workforce Housing Agency

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes,⁷ and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- Truckee Tahoe Workforce Housing Agency has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which Truckee Tahoe Workforce Housing Agency is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.



TRUCKEE TAHOE
Workforce Housing Agency

- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- Truckee Tahoe Workforce Housing Agency has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

A handwritten signature in blue ink that reads "Emily Vitas". The signature is written in a cursive, flowing style.

Emily Vitas, Executive Director



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Truckee Tahoe Workforce Housing Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Truckee Tahoe Workforce Housing Agency, as of and for the fifteen months ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Truckee Tahoe Workforce Housing Agency's basic financial statements, and the related notes to the financial statements, which collectively comprise Truckee Tahoe Workforce Housing Agency's basic financial statements, and have issued our report thereon dated October 15, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Truckee Tahoe Workforce Housing Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Truckee Tahoe Workforce Housing Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Truckee Tahoe Workforce Housing Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a 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.

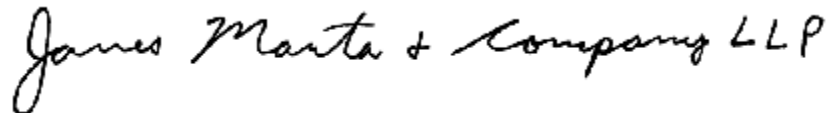
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Truckee Tahoe Workforce Housing Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
October 15, 2021

**TRUCKEE TAHOE WORKFORCE
HOUSING AUTHORITY**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FIFTEEN MONTHS ENDED
JUNE 30, 2021**

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

BOARD OF DIRECTORS

JUNE 30, 2021

Harry Weis

Chair

Tahoe Forest Hospital District

Kevin Smith

Vice Chair

Truckee Tahoe Airport

Steven Poncelet

Treasurer

Truckee Donner Public Utility District

Carmen Ghysels

Secretary

Truckee Tahoe Unified School District

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

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James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Truckee Tahoe Workforce Housing Agency
Truckee, California

Report on the Financial Statements

We have audited the accompanying Statement of Net Position of Truckee Tahoe Workforce Housing Agency (the Agency), as of June 30, 2021, and the related Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows as of and for the fifteen months then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

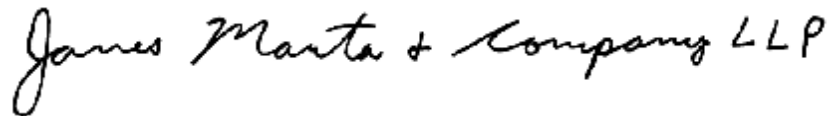
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Truckee Tahoe Workforce Housing Agency as of June 30, 2021, and the changes of its net operations and its cash flows for the fifteen months then ended in conformity with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2021 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
October 15, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Background

The Truckee Tahoe Workforce Housing Agency (TTWHA) was founded in 2020 to provide housing opportunities to the employees of its member agencies. TTWHA is governed by a JPA Board comprised of one representative from each agency member. Each member is entitled to one vote on the Board. The four-member Board elects from its members a President, Vice President, Secretary, and Treasurer.

The day-to-day operations of TTWHA are conducted by the Executive Director who is responsible for administration of policies set forth by the Joint Powers Agreement, Bylaws and JPA Board.

Financial Highlights for the 15-month Fiscal Year Ending June 30, 2021

- In 2020-21, total member contributions equaled \$300,000. These funds were considered 'Founding Funds' and were calculated based on the number of employees each member agency represented.
- The Fiscal Year ended with a Net Income of \$97,470. Remaining funds will be set aside in a Housing Reserves Fund to be utilized at the Board of Directors' discretion.
- The 2020-21 Fiscal Year represents the first budget prepared and administered under the Agency. Variances in budgeted items were taken in to account when creating the 2021-22 Fiscal Year Budget.

Financial Management and Control

TTWHA management is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for preparation of financial statements in conformity with generally accepted accounting principles.

In October, 2020, TTWHA contracted with Supporting Strategies out to provide accounting services. Supporting Strategies acts as a partner to TTWHA management to ensure fiduciary responsibility is exercised and financials are prepared in accordance with generally accepted accounting principles.

Description of the Basic Financial Statements

TTWHA financial statements are prepared in conformity with generally accepted accounting principles and necessarily include amounts based upon reliable estimates and judgments. Statement of Net Position, a Statement of Revenues, Expenses & Changes in Net Position, and the Statement of Cash Flows are included along with Notes to Financial Statements to clarify unique accounting policies and financial information.

The *Statement of Net Position* provides information on all TTWHA program assets and liabilities, with the difference reported as Net Position. Net Position may be an indicator of the overall pool financial changes across years.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing total revenues versus total expenses and the resulting effect on Net Position.

The *Statement of Cash Flows* presents information about the cash receipts and cash payments during the year and reconciles to operating income.

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Analysis of Overall Financial Position & Results of Operations

Condensed Combined Statement of Net Position accounts are as follows:

Current Assets	<u>\$ 106,798</u>
Current Liabilities	<u>9,328</u>
Net Position	<u><u>\$ 97,470</u></u>

Condensed Combined Income Statement accounts are as follows:

Operating Revenues	\$ 300,000
Operating Expenses	<u>202,530</u>
Change in Net Position	97,470
Beginning Net Position	<u>-</u>
Ending Net Position	<u><u>\$ 97,470</u></u>

Currently known facts and conditions that may have a significant effect on financial position

There are no currently known facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.

BASIC FINANCIAL STATEMENTS

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

STATEMENT OF NET POSITION

JUNE 30, 2021

ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 105,798
Deposits	<u>1,000</u>
Total Current Assets	<u>106,798</u>
Total Assets	<u>106,798</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	<u>9,328</u>
Total Current Liabilities	<u>9,328</u>
Total Liabilities	<u>9,328</u>
NET POSITION	
Unrestricted	<u>97,470</u>
Total Net Position	<u>\$ 97,470</u>

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
FOR THE FIFTEEN MONTHS ENDED JUNE 30, 2021

OPERATING REVENUES	
Member Contributions	\$ 300,000
Total Operating Revenues	300,000
 OPERATING EXPENSES	
Salaries and Benefits	111,106
Consultants and Professional Services Expense	77,861
General and Administrative Expense	13,563
Total Operating Expenses	202,530
Operating Income (Loss)	97,470
 Change in Net Position	 97,470
Beginning Net Position	-
Ending Net Position	\$ 97,470

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

STATEMENT OF CASH FLOWS

FOR THE FIFTEEN MONTHS ENDED JUNE 30, 2021

Cash Flows From Operating Activities	
Contributions Received	\$ 300,000
Salaries and Benefits Paid	(111,106)
General/Administrative Cost Paid	<u>(83,096)</u>
Net Cash Provided (Used) by Operating Activities	<u>105,798</u>
Net Increase (Decrease) in Cash	105,798
Beginning Cash and Cash Equivalents	<u>-</u>
Ending Cash and Cash Equivalents	<u>\$ 105,798</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ 97,470
Adjustments to Reconcile Operating Loss to Cash Provided (Used) by Operations:	
(Increase) Decrease in:	
Deposits	(1,000)
Increase (Decrease) in:	
Accounts Payable	<u>9,328</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 105,798</u>

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Truckee Tahoe Workforce Housing Agency was formed with the purpose and intent to support and promote the development of workforce housing for Members within the Agency's jurisdiction, and to collectively plan, acquire, develop, lease, finance, and construct workforce housing for Member employees and support housing programs that provide workforce housing to Member employees.

There are current four members: Truckee Tahoe Airport, Tahoe Forest Hospital District, Truckee Donner Public Utility District, and Tahoe Truckee Unified School District.

B. Addition of Members

A public agency may be considered for membership in the Agency by presenting an adopted resolution to the Board that includes a request to become a Member. The Board shall accept proposed Members upon a unanimous affirmative vote of the entire Board and upon satisfaction of any conditions established by the Board as a prerequisite for membership including but not limited to payment of any Board-determined membership fee to reflect the pro rata share of organizational, planning, and other pre-existing expenditures

C. Withdrawal of Members

After July 1, 2023, any Member shall have the right to withdraw from the Agency by giving at least 24 months advance written notice to the Board and each Member.

D. Summary of Significant Accounting Policies

Basis of Accounting

These statements are prepared on the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues from contributions and interest are recognized when earned and expenses are recognized when goods or services are received or in the case of claims, when the insured event occurs. Liabilities for reserves for open claims and claims incurred but not reported have been recorded in the financial statements. The Agency applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations, except where superseded by GASB pronouncements.

Fund Accounting

The accounts of the Agency are organized on the basis of governmental fund accounting. It operates a single enterprise fund which is used to account for governmental activities. Enterprise fund type is used to account for "business-type activities" – activities similar to those found in the private sector. Business-type activities include services primarily funded through user charges.

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

NOTES TO THE FINACIAL STATEMENTS

JUNE 30, 2021

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash and cash equivalents include cash in bank, money market duns, cash with the Local Agency Investment Fund, and all highly liquid debt instruments purchased with original maturity of three months or less.

Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At June 30, 2021, the total accounts receivable portfolio was considered collectible.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions

Contributions from each member are approved by the Board of Directors for each fiscal year. The contributions are recorded and recognized in the year they are approved and received

Income Taxes

The Agency's income is exempt from federal income taxes under Internal Revenue Code Section 115, which excludes income derived from the exercise of any essential governmental function and accruing to a state political subdivision.

2. CASH AND CASH EQUIVALENTS

A. Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2021 consisted of the following:

Cash in bank	\$ 105,798
--------------	------------

Cash in Bank is covered by federal depository insurance up to \$250,000. Should deposits exceed the insured limits, the balance is covered by collateral held by the bank in accordance with California law requiring the depository bank to hold collateral equal to 110% of the excess government funds on deposit. This collateral must be in the form of government-backed securities.

TRUCKEE TAHOE WORKFORCE HOUSING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

3. JOINTLY GOVERNED ORGANIZATIONS

The Agency is a member of Special District Risk Management Authority (SDRMA) which provides liability and property program coverage.

SDRMA is governed by a Board consisting of representatives from member agencies. The Board controls the operations, including selection of management and approval of operating budgets, independent of any influence by the member agencies beyond their representation on the Board. Each member agency pays a contribution or assessment commensurate with the level of coverage and services requested and shares surpluses and deficits proportionate to their participation in the joint powers authority. Full financial statements are available separately from SDRMA. Condensed information for SDRMA for the year ended June 30, 2020 (latest available) is as follows:

	SDRMA
	June 30, 2020
Total Assets	\$ 130,676,871
Total Deferred Outflows	595,599
Total Liabilities	(70,083,643)
Total Deferred Inflows	(246,193)
Total Net Position	<u>\$ 60,942,634</u>
Total Revenues	\$ 82,459,850
Total Expenses	(77,881,779)
Change in Net Position	<u>\$ 4,578,071</u>

7b. Revised Member Agency Funding Policy

Meeting Date: October 20, 2021
Prepared By: Emily Vitas, Executive Director
Agenda Item: Consider Approval of the Revised Member Agency Funding Policy

BOARD REQUEST:

Approve the revised Member Agency Funding Policy.

BACKGROUND:

The member agency funding policy was created to provide a structure for how we assess and process annual and new member agency fees. The policy includes direction on annual budget and new member agency fee calculations. The policy also outlines how the Agency funds programs and projects.

With the acceptance of our new member agencies occurring outside the fiscal year start, the budget will need to be recalculated, resulting in an excess of funds to cover the budget. The approved policy did not provide guidance around this occurrence.

The revised member agency funding policy provide options for member agencies should this occur again. The options provided in the revised policy allow existing member agencies to either recoup a portion of their member fees, or direct them to a reserve fund to be used at the board's discretion. The additions to the policy are included on the attached document in red.

MOTION:

I move to accept the revised Member Agency Funding Policy as presented.

I move to accept the revised Member Agency Funding Policy, with the following changes.

I move to take no action.

ATTACHMENTS:

Draft Revised Member Agency Funding Policy

Truckee Tahoe Workforce Housing Agency
Member Agency Funding Policy
Policy 2021-01

1. **Purpose:** To establish funding policies for: 1) Annual Membership Fees; 2) New Member Buy-in Fee and Contributions to the Agency Annual Operating Budget; and 3) Opt-In Housing Programs and Acquisition/Development Projects.
2. **Authority:** The authority to request member agency funding is based on the calculations and agreements included in this policy. All member funding requests should be made in accordance with this policy.
3. **Annual Membership Fee**

A. Employee Count

By February 1st of each year, each Member Agency whose jurisdiction is within the jurisdictional boundaries of the Agency, shall provide the following information to Agency staff:

1. Full-time Employee (FTE) Count, as included in the Member Agency's current-year adopted annual budget. The Member Agency's FTE count shall include both full and part-time employees. Part time employee positions shall be aggregated to full time positions (e.g. two 50% positions would equal one FTE for the count). Seasonal workers (e.g. summer rec program employees) shall not be included in the FTE Count.
2. Independent Contractor count, for those who provide service to the member agency on an ongoing basis, and should be considered when developing programs for employees of the agency.

By February 1st of each year, each Member Agency whose jurisdictional boundary extends beyond the jurisdictional boundaries of the Agency, shall submit an FTE Count of those employees and independent contractors stationed in, or serving on a regular basis within, the geographic boundaries of the Agency. Those Member Agencies shall provide Agency staff a written justification regarding the calculation of the FTE Count. The final determination of the FTE Count for these Member Agencies shall be at the sole discretion of the Agency.

B. Calculation of Annual Membership Fee for Each Member Agency

By April 15th of each year, during the Agency's annual budget process, the Agency shall calculate the Annual Membership Fee for each Member Agency.

1. Expenses included in the development of the Annual Membership Fees

The following components of the Agency's proposed Annual Operating Budget shall be included in the calculation of Annual Membership Fees:

a. Operating Expenses

All operating expenses in the Agency Annual Operating Budget. Examples of operating expenses include payroll and employee benefits, operating general and administrative costs, professional services, marketing, advertising and community outreach.

b. Housing Programs and Preliminary Expenses related to Opt-In Programs and Projects

Housing Program expenses in the Agency Annual Operating Budget include expenses for programs that are general in nature and available to employees of all member agencies. Preliminary expenses related to Opt-in Housing Programs and Acquisition/Development Projects (see Section 4 of this policy) shall also be included in the Agency Annual Operating Budget. The implementation costs associated with Opt-In programs and projects shall not be included in the Agency Annual Operating Budget. Those implementation costs related to those specific programs, development/acquisition expenses shall be budgeted independently and funded by Member Agencies that choose to participate in the specific program or project.

2. Methodology for allocating costs to Member Agencies

Agency staff shall calculate the total FTE Counts for all Member Agencies and invoice each Member Agency its proportional share of the Agency's Annual Operating Budget.

C. Invoicing and Payment of Annual Membership Fee

By June 1st of each year Agency shall invoice each Member Agency for its Annual Membership Fee. By August 1st of each year the Annual Membership Fee shall be paid to the Agency by each Member Agency.

4. **New Member Agencies – Buy-in Fee and Contribution to Agency's Annual Operating Budget**

New members shall make the following two payments prior to the commencement of membership:

A. Buy-in Fee: \$18,477.68 plus 3% inflation per year

This fee is equivalent to the amount the founding agencies paid to create the TTWHA in 2019. New members will be charged the founding fee plus a rate of 3% inflation per year,

calculated annually at the start of each fiscal year. Buy-in fees shall be placed in a reserve fund for future use at the discretion of the Board.

B. Contribution to Agency Annual Operating Budget

If a New Member Agency is admitted on July 1 (the start of the new fiscal year), the New Member Agency shall be responsible for its proportional share of the full year Agency budget. If the member agency is admitted after July 1, the New Member Agency shall be responsible for a pro-rated proportional share of the current fiscal year budget upon admission. As of the date of new membership, the current year TTWHA budget would be recalculated to include the new member agency's fees.

Once the budget is recalculated, existing members who funded the original budget have the following options:

1. Receive a credit, applied to the following year's member agency fee or refunded by check to the requesting agency.
2. Request that the difference be placed in the Agency's reserve fund, to be utilized at the discretion of the Board of Directors.

5. Member Agency Opt-in Funding of Housing Programs and Acquisition/Development Projects

The following Opt-In initiatives shall be funded through a process separate from the Annual Operating Budget:

A. Acquisition of Housing Units through leasing or purchase

Certain housing acquisition programs will require funding from individual member agencies to support access and / or affordability for those Member Agencies' employees.

For these programs, once the program has been developed by staff, and approved by the board, a separate budget to fund the program will be created. Agencies will then have the opportunity to participate based on employee need. These programs will be funded only by those agencies that choose to 'opt-in' to the program.

B. Development of New Housing Units

New housing development projects include the construction of housing units for Member Agency employee use. With each proposed project, a project-specific budget will be created for board consideration and member agency 'opt-in.'

7c. Long-term Rental Pilot Program

Meeting Date: October 20, 2021
Prepared By: Emily Vitas, Executive Director
Regarding: Consider Approval of the Long-term Rental Pilot Program

BOARD REQUEST:

Approve a Long-term Rental Pilot Program, to run from November 1, 2021 to June 30, 2022.

BACKGROUND:

Between July 1, 2020 and September 30, 2021, through a partnership with Landing Locals, we were able to unlock 18 long-term rentals for 19 member agency employees. With the decrease in housing stock, increase in market rates, and development of regional rental programs similar in nature, the board approved funding for an incentive program that would continue to secure existing units while also providing a more unique and desirable offering to homeowners.

This revised program could help solve for three of the challenges that were identified during the lifetime of the original program:

- The desire to have a direct connection to homeowners and tenants
- The need to include incentives to secure access to homes
- The need to evolve the program so it is complementary to those of our regional partners

The proposed program moves away from a fee per match structure that was solely run by the program administrator (Landing Locals) and instead focuses on developing relationships with homeowners and offering property management services and a lease guarantee made by TTWHA. Additionally, the program will focus on areas that are not currently being served by the Town of Truckee's Long-term Rental Program (homes located outside of Town limits and homeowners who already use their homes for long-term rental), in hopes of unlocking additional units for employee access.

The program is being referred to as a pilot program: revisions may need to be made in the coming months and will be brought before the board to consider.

MOTION:

I move to approve the Long-term Rental Program as presented.

I move to approve the Long-term Rental Program with the following changes:

I move to take no action.

ATTACHMENTS:

Long-term Rental Pilot Program Outline



TRUCKEE TAHOE
Workforce Housing Agency

TTWHA Long-term Rental Pilot Program

1.0 Program Overview

The Truckee Tahoe Workforce Housing Agency's Long-term Rental Pilot Program will secure housing units throughout the region for employee use. Through a multi-provider partnership, the program will secure housing for employees and provide a trusted public agency partner for homeowners.

TTWHA will act as the advertising, communications, and support arm of the program, and will be the first line of communication for homeowners interested in the program.

As the trusted regional housing platform and sole provider of the marketplace needed to implement this program, Landing Locals will advertise listings for member agency employees through their platform and will vet applicants for placement. Their property management partner will manage the unit lease, property maintenance and service of the homes, and will collect and pay rents.

How is this program different from other regional programs?

- Includes all areas within the TTUSD service boundary
- Serves a specific component of our workforce
- No AMI caps for applicants
- Incentives offered to homeowners, including tenant placement and property management
- Lease is guaranteed by TTWHA

2.0 Pilot Program Timeline

The pilot program will run from November 1, 2021 – June 30, 2022, at which point a report will be provided to the TTWHA board on the accomplishments of the program, and the board will consider next steps for the program. The TTWHA board will be provided monthly updates by the Executive Director.

While the pilot program will run eight months, the leases that are secured through the program will run beyond the pilot program deadline, requiring property management fees be paid past June 30, 2022. The fees included in *Section 8.0 Program Expenses and Budget* reflect eight months of program administration and account for 12 months of property management fees for each unit lease.

3.0 Program Roles

TTWHA

- Promote the program and act as a point of contact for employees and program partners
- Educate homeowners and refer them to Landing Locals to list their homes
- Manage program administrators
- Refine strategy and evolve processes as program progresses
- Maintain internal tracking of unit listings, homeowner contacts, and tenant information
- Act as a guarantor, stating that the rent will be covered for the life of the lease, whether the original tenant remains or not

Landing Locals + Property Management

- Landing Locals: Administer the program
 - Develop and manage work flows for homeowners and tenants
 - Develop and manage the marketplace for home listings and employee application
 - Manage applications and work closely with property manager for review and placement
 - Vet applicants, including background and credit checks
 - Manage home showings with interested applicants
 - Work with TTWHA to review tenant applications and place tenants
- Property Manager: Manage the properties
 - Manage rent collection from tenants and payment to owners
 - Act as service and maintenance administrator for each home
 - Manage bookkeeping and annual tax-related activities

TTWHA Member Agencies

- Advertise the program to employees
- Contribute an agreed-upon management fee for each home occupied by their employees*

4.0 Program Process

Tenant

1. View available units and apply for housing through the housing marketplace
2. Landing will collect inquiries and applications for each home
3. Landing will provide all qualified applications to property management company
4. Property management company will review applications with TTWHA and homeowner
5. Once a tenant is selected, Landing Locals will conduct a comprehensive tenant screening:
 - Past Landlord References
 - Employer(s) Verification and Reference Check
 - Personal Reference(s) Check
 - Income verification
 - Background and credit check (\$30 fee covered by TTWHA)
6. Once approved, tenant will sign a lease with TTWHA as a guarantor

Homeowner

1. Program materials that outline the program and terms will be provided
2. Homeowner will submit unit information and photos through Landing Locals

3. Landing Locals will engage in a call or in-person visit with homeowner to ensure eligibility and share program information
4. Homeowner will participate in the tenant placement process with TTWHA and property manager
5. Homeowner will sign an agreement agreeing to the program outlines included herein, a property management agreement, and a lease with the tenant
6. If there are no interested member agency employees, TTWHA will refer homeowner to other regional incentive programs and release the listing

5.0 Program Restrictions

This program will cover TTWHA's service area, known as the Tahoe Truckee Unified School District boundary. To allow access for all member agency employees, this program will not include an employee income cap.

An attempt will be made with each home to set the lease rate below the following:

Studio	\$1,500
1-bedroom	\$1,800
2-bedroom	\$2,500
3-bedroom	\$3,000
4-bedroom	\$4,000

These rates are based on a calculation that includes 2020 TTWHA employee housing needs survey responses, current market rental rates, and an adjustment to account for the incentive and property management services provided for each home.

6.0 Advertising

TTWHA will advertise the program through the following avenues:

- Mailer to registered homeowners throughout TTUSD service area
- Advertisements in local publications
- Advertisements through local homeowner associations
- Relationships with regional real estate agencies

7.0 Program Incentives

Incentives

For homeowners:

- Free tenant placement
- Free property management

- Lease guaranteed by trusted local agencies
- Vacancies are covered for the lifetime of the lease (employees will be required to pay a fee for breaking a lease, TTWHA will cover additional vacancy payments beyond the fee, if needed)

For tenants:

- Below market-rate housing
- Increase in housing access
- Professional property manager to support home maintenance and service needs

8.0 Program Expenses and Budget

Program Partner Rates (to be paid by member agencies)

Program Administration	\$3,000 / month
Property Management	8%

TTWHA Program Budget

Program Administration Fee	\$24,000*
Property Management Fees	\$40,000**
Set-aside for Potential Unit Vacancy	\$6,000
Advertising	<u>\$5,000</u>
Total TTWHA Program Budget	\$75,000

**Monthly administration fee to commence once first home is listed*

***This amount is dependent on the number of homes listed through the program*

Please see attachment A for sample property management fees using the leases secured through the 2020-21 TTWHA Housing Match Program as an example.

ATTACHMENT A - Sample Property Management Expenses

House / Location	Agency	Bedrooms	Monthly Rent	Annual 8% Prop Management Fee
Glenshire, Truckee	TTUSD	3	\$3,000	\$2,880
Northwoods, Truckee	TFHD	3	\$2,600	\$2,496
Donner Pines West	TFHD	2	\$1,800	\$1,728
Pioneer Way, Tahoe City	TFHD	3	\$2,400	\$2,304
Martis Valley Rd, Truckee	TFHD	2	\$2,905	\$2,789
Armstrong Tract, Truckee	TFHD	2	\$2,400	\$2,304
Boulders, Truckee	TFHD	3	\$2,700	\$2,592
Martiswoods Estates, Truckee	TFHD	2	\$3,000	\$2,880
Glacier Way, Truckee	TFHD	4	\$3,000	\$2,880
Prosser Dam Rd, Truckee	TTUSD	3	\$4,300	\$4,128
Conifer, Truckee	TFHD	2	\$3,100	\$2,976
Heidi Way, Truckee	TFHD	3	\$3,000	\$2,880
Bernese, Truckee	TTUSD	3	\$2,800	\$2,688
Northwoods Condo, Truckee	TFHD	2	\$2,800	\$2,688
Hansel, Truckee	TTUSD	3	\$2,900	\$2,784
TOTAL ANNUAL PROPERTY MANAGEMENT FEES				\$40,997

Data: Housing Match Program, July 2020 – July 2021