

**MANHATTAN HOUSING AUTHORITY BOARD OF COMMISSIONERS
REGULAR MEETING
APARTMENT TOWERS COMMUNITY ROOM
Manhattan, KS 66502
January 16, 2008
5:30 p.m.**

Members Present: Randy Stitt
Ida Jane Leupold
Bruce Snead
Gary Olds
Torry Dickinson
Eileen Meyer
Jayme Morris-Hardeman

Members Absent: None

City Commission Liaison: Bruce Snead

Staff Present: JoAnn Sutton, PHM, Executive Director
Mandy Thomas, Assistant Executive Director
Michael Wilhoite, Facilities Supervisor
Patrick O'Neil, Special Projects Manager/HR

I. CALL TO ORDER

Randy called the meeting to order at 5:30 p.m.

II. OPEN FORUM

- a. New Comments or Concerns: There were no new comments or concerns.
- b. Adjournment Time: Adjournment time was set for 7:30 p.m.

III. MINUTES

Bruce moved to approve the minutes of the November 14, 2007 Regular Meeting and the December 19, 2007 Regular Meeting as presented. Jayme seconded. Motion carried 5-0.

IV. EXECUTIVE DIRECTORS REPORT

- a. JoAnn gave an update of recent personnel changes. Jason Smith, Resident Services Coordinator, submitted his resignation effective January 25, 2008. Amy Carney, Assistant Property Manager/Relocation Coordinator, submitted her resignation effective January 31, 2008, due to moving from the area. JoAnn stated that Amy may be back in the area for the month of March and possibly April, and that she may be able to work with the Housing Authority during this time to train the new staff member for her position. Billye Guliford, Section 8 Coordinator, will be on leave from January 26th to February 22nd, 2008.

- b. JoAnn reported that she had received notification from HUD that the Housing Authority has been selected for a Fair Housing Review, which will be conducted February 25th through February 29th, 2008. Randy asked if this was a random review or as the result of an issue with Fair Housing. JoAnn stated that to the best of her knowledge it was a random review not triggered by any complaint against the Housing Authority. A Fair Housing Review had not been conducted at the Housing Authority for several years. Randy asked if there was any policy in place that a second review be conducted of denials to ensure compliance with Fair Housing. JoAnn stated that there was no second review in place, other than the normal appeals process where denials can be appealed to the Executive Director under the Grievance Policy and Procedure.
- c. JoAnn reported that she had met with staff members of the Crisis Center to discuss programs available to clients. JoAnn stated she had again been invited to speak to Kansas State's housing class, which she will do on March 11, 2008.
- d. The Housing Authority has been approached by another cell phone provider (AT&T) about leasing roof top space for equipment. JoAnn indicated she would be willing to listen to proposals but was not sure about the amount of space that would be available. JoAnn e-mailed Selective Site Consultants regarding the contract for Altell rooftop space. JoAnn stated she had sent the signed contract in October, but to date there has been no installation of equipment. There has been a request for an extension on the contract to May 1, 2008 for deadline to install equipment. JoAnn has inquired as to the reason for the delay in installation, but has not yet received a response.
- e. JoAnn stated she had received notification from the City of Manhattan regarding the expiration of terms for Board members. The terms of Randy, Torry and Jayme will expire in March 2008. Jayme stated that she would not be able to continue as a Board member at this time. Randy stated that he will submit papers for re-appointment. JoAnn reminded Board members that the Annual Meeting held in March will include the election of officers.
- f. Randy asked a question regarding the elevator at Carlson Plaza which had broken down. Michael stated that the issue was only with a motor for the door, and was not the entire elevator.
- g. Gary asked about the Operating Budget. JoAnn stated that this is based on the 2007 funding eligibility level prorated at 85%. Gary asked about the \$64,000 deficit that appears on the Budget Progress Report. JoAnn stated that the report was anticipated income and expense. Initially the budget did not anticipate a deficit; however, after the loss of revenue from Flint Hills Place due to redevelopment, a deficit did occur and is reflected on the 2007 Budget Revision. Gary asked if this is approved by HUD. JoAnn explained that the Budget Revision does not need to be approved by HUD, except when an agency is in troubled status. JoAnn stated she had received notification from HUD stating that the MOA has been closed and the Housing Authority is now out of troubled status, therefore the budget revisions submitted to HUD will not require approval.

- h. Gary asked how the vacancy rate included on the Public Housing Occupancy Report is calculated. JoAnn stated this was figured using the total number of vacancies divided by the total number of units on the day the report is completed. The current total number of units used to calculate is 202. JoAnn stated a separate report for Flint Hills Place and The Gardens will be included in future Board reports.
- i. JoAnn updated the Board on the status of the MOA entered into by the Housing Authority and HUD. JoAnn has received notification from Julie Miles at HUD that all targets have been closed based on reports received from the Housing Authority.

V. COMMISSIONER COMMENTS

- a. Ida Jane stated that the Memo sent with Board packets wrongly stated that the January meeting would be held at the Pottawatomie Court Computer Lab, causing herself and Torry to be late for the meeting. Ida Jane stated that she did not have e-mail and therefore did not receive notification of the correction. Ida Jane asked that she be notified by phone of any changes to meeting dates and times or other corrections.
- b. Eileen asked about a purchase amount for a weed eater, which was reported as \$559. Michael replied that the amount was for the purchase of two weed eaters, not one as indicated on the report.

VI. OLD BUSINESS

- a. An update of the Flint Hills Place improvements was given. JoAnn reported that the project was progressing well. A total of fourteen families have relocated to rehabbed units. Work has begun on Phase II of the project, and in some vacant units in Phase III of the project. The completion date for the project is scheduled for June 30, 2008. However, the contractor anticipates that completion will occur by May 31, 2008.
- b. An update of the possible contribution to the MESI building fund was given. JoAnn stated that she had yet to receive a firm answer from HUD regarding the use of Special Purpose Account funds. JoAnn recommended that this item be removed from the Agenda until reserves are built up to an acceptable level. Gary asked what the guidelines were for reserve amounts. JoAnn stated that the recommended amount is 3 months of operating budget, with the Housing Authority currently having 1.27 months in reserves. Gary asked if this amount included the Special Purpose Fund. JoAnn stated that this amount is included in the reserves. Randy asked that information be presented to the Board at February Regular Meeting indicating the amount of reserves needed to reach a goal of 3 months operating subsidy. JoAnn stated she would provide this information to the Board. It was agreed to remove this item from the Agenda until such time as an answer is received from HUD regarding use of the Special Purpose Account funds and reserve amounts reach an appropriate level.

VII. NEW BUSINESS

- a. Discussion of Board Reports: JoAnn explained that this item had been placed on the Agenda at the request of a Board member and asked the

Board for comments or discussion. Gary asked how important Staff felt it was for the Board to have this information on a monthly basis. JoAnn stated the reports given to the Board are very basic. The Housing Authority utilizes a fee accountant to verify records and provide additional reports which are more detailed and fluid. However, the reports produced by the fee accountant are not as current as Staff reports. The fee accountant reports are a month behind the current month due to the time information is received. Jayme asked if additional Staff time is needed to produce current reports. JoAnn stated that these reports do take additional time, but would be produced regardless of whether they are used for monthly Board reports. JoAnn asked if the Board would rather have current reports or fee accountant reports which would be behind the current month. Torry asked what would be included in the fee accountant's reports. Mandy stated that there would be six reports, one each for Public Housing, Section 8, TBRA, The Gardens, FHI, and Capital Funds. Gary asked what reports JoAnn felt could be eliminated from the monthly Board report. JoAnn stated that the computer lab information could be eliminated. Randy suggested that some reports could be presented on a semi-annual basis, such as TBRA, FSS, and ROSS. JoAnn stated that the Housing Authority is required to provide some form of financial report each month, so financial reports would have to be retained in some form. Bruce stated that he did not feel the fee accountant reports would be viable as an alternative to current reports. JoAnn asked if the Police Reports and Complaint Reports were important for the Board to have, as these issues are handled by Staff. Bruce stated he felt some of these reports are an indication for Board members as to what work conditions Staff are experiencing. Randy suggested that all Board members carefully review reports included in Board packets for next month and decide which reports they feel need to be included and report at the February Regular Meeting. Gary asked about the variances included on Budget Progress Report. JoAnn stated that this could be changed to show the amount spent rather than what has not been spent. Gary asked about the percentage of budget allocated for administrative expense. JoAnn explained that this includes various expenses, such as phone usage, postage, office supplies, legal, accounting & audits, and travel & training, as well as salary. JoAnn stated that The Gardens pays expenses from their own funds and operates on a separate operating budget. The management fee for The Gardens is included in revenue reports, but expenses are not. Gary asked how the 5% management fee was determined for The Gardens. JoAnn explained that this is a common amount used in the tax credit industry. There is no automatic increase in this fee; however an increase can be requested. Gary asked how the percentage of the budget used for administrative expense has changed over years, and how this percentage was budgeted. JoAnn stated that there is no set percentage budgeted for administrative expense. The percentage is set by what the anticipated needs are going to be for the budget item, rather than budgeting from the assumption that a certain item will require a specific percentage of the budget. Randy asked the Board to consider reports included in Board

packet for further discussion at the February Regular Meeting. The February Board reports will not include computer lab information and the variance on the Budget Progress Report will be changed as discussed.

- b. Revision to Dwelling Lease-Resolution No. 011608-A: JoAnn explained the need for clarification to the Dwelling Lease as it applies to leases not commencing on the first day of the month. Legal counsel recommended that the language of the resolution be added to the Dwelling Lease to clarify terms of the rental agreement in these cases. Torry moved to approved Resolution No. 011608-A, adopting the Revised Dwelling Lease. Bruce seconded. Randy asked if there was any further discussion. There were no further comments or discussion. Randy called for a roll call vote. Roll call vote carried 7-0.

VIII. ADJOURNMENT

It was moved and seconded to adjourn the meeting at 6:38 p.m.

Respectfully Submitted,

Randy Stitt, Board Chair