

**MANHATTAN HOUSING AUTHORITY BOARD OF COMMISSIONERS
REGULAR MEETING
APARTMENT TOWERS COMMUNITY ROOM
Manhattan, KS 66502
November 23, 2009
5:30 p.m.**

Members Present:

Eileen Meyer, Board Chair
Randy Stitt, Board Vice Chair
Ida Jane Leupold
Jim Sherow
Phil Anderson
Jan Galitzer

Members Absent:

None

City Commission Liaison:

Jim Sherow

Staff Present:

JoAnn Sutton, Executive Director
Mandy Thomas, Assistant Executive Director
Patrick O'Neil, Special Projects Manager/HR
Michelle Speicher, Property Manager

I. CALL TO ORDER

Eileen called the meeting to order at 5:32 p.m.

II. OPEN FORUM

- a. New Comments or Concerns: JoAnn and Michelle presented awards to Housing Authority Insurance Group fire prevention poster contest winners. The contest was held in October and open to all children residing in the Housing Authority's public housing units and residents of The Gardens at Flint Hills. First, second and third place were awarded in three age groups, with each winner receiving a cash reward. Board members congratulated all winners.
- b. Adjournment Time: Adjournment time was set for no later than 7:30 p.m.

III. MINUTES

Jim moved to approve the minutes of the October 28, 2009, Regular Meeting as presented. Jan seconded. Motion carried 6-0.

IV. EXECUTIVE DIRECTORS REPORT

- a. JoAnn reported that several staff members attended the Fall NAHRO conference in Lawrence November 16th-18th. Staff members attended several informative sessions at the conference. MHA staff members also won the Maintenance Olympics competition.
- b. JoAnn updated the Board on the Housing Authority's 40th anniversary open house. Approximately 50 guests signed in, with others attending but

not signing in. Although we were hoping for a larger turnout for the event, the day was a successful celebration of 40 years of service to Manhattan.

- c. JoAnn reminded the Board that the annual Resident Holiday Social would be held on Saturday, December 5, 2009 at the Riley County Senior Service Center, beginning at 10:30 a.m. Board members are invited to attend.
- d. JoAnn informed the Board of upcoming dates when Housing Authority offices will be closed. The Housing Authority will be closed on November 26 & 27, 2009 for the Thanksgiving holiday. The Housing Authority will also be closed on December 24 & 25 for Christmas and the afternoon of December 31 and all day on January 1 for the New Years holiday.

V. COMMISSIONER'S COMMENTS

- a. Ida Jane thanked JoAnn for assisting with Commissioner sessions at the NAHRO conference and complimented Housing Authority staff on the planning of the 40th anniversary celebration and open house.

VI. OLD BUSINESS

- a. Board Appointment Policy: No new information was available regarding the policy. Jim informed the Board that a new regional planning organization was being formed that would have representatives from county and local governments in the area and would have its first meeting in December. Jim suggested that the Housing Authority may be able to utilize this organization in the future for guidance on Board appointment policy and as a resource for other information.
- b. Executive Director's Evaluation: The Executive Director's annual evaluation form has been sent out to Board members. JoAnn will provide a list of accomplishments for the year to all Board members for review. The Board discussed possible meeting dates to conduct the annual review. The Board agreed to meet December 9, 2009 at 5:30 p.m. in the Apartment Towers community room for the purpose of completing the Executive Director's annual evaluation.

VII. NEW BUSINESS

aTenant's Accounts Receivable Write-Off—Resolution No. 112309-A: JoAnn explained that as an accounting "housekeeping" measure, certain tenant's accounts receivable are written off each year. Most write-offs are for tenants who are no longer in the area, are deceased or are known to have fixed or no incomes, and therefore the debts are unlikely to be collected through the state Set-Off program or through other means of collection. Past tenants with outstanding accounts who are known to be employed are sent to the state of Kansas Set-Off Program where the debt can be collected through garnishment of tax refunds. Phil asked if any of the write-off tenants ever repay the Housing Authority. JoAnn answered that most of the time this occurs only if a past tenant is trying to get back into Public Housing or the Section 8 program, either through the Manhattan Housing Authority or another housing

authority, since they are ineligible if they have an outstanding balance. Randy asked how much was usually written off each year. JoAnn answered that the average is about \$7,500 per year. Randy asked if the Housing Authority had considered selling the debts to a third party. JoAnn responded that this has not been done in the past, and although it may be considered, there may be factors that would prohibit selling the debts. The Board generally agreed that it would have to be very carefully researched before considering selling any debts. Randy asked how some of the debts had gotten so high before the tenant was terminated. JoAnn replied that usually the higher write offs are from tenants who entered into repayment agreements but did not fulfill the agreement or from tenants who did not vacate a unit when directed to and accrued more rent owed before leaving the unit. Phil moved to approve Resolution No. 112309-A, approving the Tenants Accounts Receivable Write-Off. Ida Jane seconded. Eileen asked if there were any further comments or discussion. There was no further discussion. Eileen called for a roll call vote. Roll call vote carried 6-0.

bDisposal of Obsolete Property—Resolution No. 112309-B: JoAnn explained that periodically the Housing Authority must dispose of old or obsolete property which is no longer useable, such as old appliances, equipment, furniture or other items which cannot be repaired or reused. Randy asked if any of the items are sold for scrap. JoAnn stated that staff had considered this before but had found that it was not cost effective due to the price of scrap metal compared to the staff time needed to prepare items for disposal and to load and haul items. Jim suggested looking into the scrap yard in Junction City. Eileen suggested that individuals who have been ordered to complete community service may be interested in hauling items to fulfill hours. Randy moved to approve Resolution No. 112309-B, adopting the Disposal of Obsolete Property. Jim seconded. Eileen asked if there were any further comments or discussion. There was no further discussion. Eileen called for a roll call vote. Roll call vote carried 6-0.

cSecurity Deposit Revision—Resolution No. 112309-C: JoAnn explained that the Housing Authority's security deposit schedule had not been revised since 2003. One reason for a large amount of write-offs of uncollectible accounts each year is due to unpaid move out charges, which are usually not covered by the security deposit because the current deposits are very low. The proposed security deposits are set at the level of the new flat rent amounts for Public Housing units. The Housing Authority will have Tenant Based Rental Assistance (TBRA) funds available in January 2010 to assist new tenants with their security deposit. The Housing Authority also offers new tenants the option of paying their security deposit over a four month period at the time of move in. Current tenants would not be required to pay an additional deposit unless transferring to another unit. Jim moved to approve Resolution No. 112309-C, adopting the Security Deposit Revision. Jan seconded. Eileen asked if there were any further comments or discussion. There was no further discussion. Eileen called for a roll call vote. Roll call vote carried 6-0.

- a. 2010 COLA/Merit Increases—Resolution No. 112309-D: JoAnn stated that this was the first year since she had been at the Housing Authority that no Cost of Living Adjustment (COLA) was proposed. The decision to propose

no COLA was based on a negative cost of living index for 2009. Most agencies contacted by the Housing Authority were also forgoing COLA increases for 2010. Merit increases were proposed as: 1.5% for Satisfactory rating, 2.5% for Exceeds Standards rating and 4% for Distinguished rating. Eileen stated that she had concerns about retention of staff members if wages did not increase. Randy asked if the Housing Authority provided any bonuses to employees. JoAnn stated that there are service awards for each 5 years of service, but there are no bonuses provided at the end of the year. HUD prohibits any federal funds from being used for bonuses. Jim noted that there is a difference between public and private sector positions. Public sector employees have to meet the same or greater expectations, often with fewer resources. Jan moved to approve Resolution No. 112309-D, adopting the 2010 COLA & Merit Increases. Phil seconded. Eileen asked if there were any further comments or discussion. There was no further discussion. Eileen called for a roll call vote. Roll call vote carried 6-0.

b. 2009 Operating Budget Revision—Resolution No. 112309-E: JoAnn noted that original 2009 budget projected \$288,073 to be in reserves at the end of 2009. The 2009 Operating Budget Revision projects \$326,318 in reserves at the end of 2009. Capital Fund items are still budgeted to capital needs, although the funds are drawn down into the general fund. Randy asked about the increase in labor costs. JoAnn explained that there was an increase in maintenance salary due to the hiring of a temporary maintenance worker to assist with unit turnover and a higher number of callbacks and overtime hours through the year. Ida Jane asked what was included in “Protective Services” expenses. JoAnn stated that these costs are for services such as security alarms and fire alarms. A computer board for the fire alarm system at Apartment Towers had to be replaced during 2009, which was an unexpected expense. Phil asked how old the fire alarm system in Apartment Towers was. JoAnn stated that the current system was installed in the mid 1990’s. Jim moved to approve Resolution No. 112309-E, adopting the 2009 Revised Operating Budget. Jan seconded. Eileen asked if there were any further comments or discussion. There was no further discussion. Eileen called for a roll call vote. Roll call vote carried 6-0.

c. 2010 Operating Budget—Resolution No. 112309-F: JoAnn gave an overview of the 2010 Operating Budget. Income is projected to be higher than in 2009 due to the revised Flat Rent and Ceiling Rent schedule. Operating expenditures in administrative expenses are expected to increase by \$7,935. Part of this increase is due to a higher employer contribution level for the KPERS retirement program. Randy asked if the positive projected \$24,000 net revenue for 2010 was correct. Mandy stated that this was correct. Randy asked if the ability to draw down capital funds into the Housing Authority’s general fund would always be available. JoAnn stated that unless regulations changed, this would be the case each year. Randy asked if a breakout of Capital Fund usage could be provided in the future to show what funds were being used for capital improvements. Jim moved to approve Resolution No. 112309-F, adopting the 2010 Operating Budget. Phil seconded. Eileen asked if there were

any further comments of discussion. There was no further discussion.
Eileen called for a roll call vote. Roll call vote carried 6-0.

VIII. ADJOURNMENT

It was moved and seconded to adjourn the meeting at 7:24 p.m.

Respectfully Submitted,

Eileen Meyer, Board Chair