

**MINUTES**  
**GREEN BAY HOUSING AUTHORITY**  
**Thursday, June 20, 2013, 10:30 a.m.**  
**1424 Admiral Court, Second Floor Reading Room**  
**Green Bay, WI 54303**

**MEMBERS:** D. Dolan-Wallace-Chair, S. Popp, B. Goodlet

**MEMBERS EXCUSED:** W. VandeCastle, H. Genunzio

**OTHERS PRESENT:** R. Strong, R. Hallet, N. Aderholdt, S. Schmutzer, N. Halvorsen

**APPROVAL OF MINUTES:**

1. Approval of the May 16, 2013, minutes of the Green Bay Housing Authority

A motion was made by S. Popp and seconded by B. Goodlet to approve of the May 16, 2013, minutes of the Green Bay Housing Authority. Motion carried.

**COMMUNICATIONS:**

None

**OLD BUSINESS:**

2. Update and possible action on the status of the loan made to NeighborWorks® Green Bay for the Armory project

R. Hallet stated that N. Halvorsen is present to share the update about the Armory project, and the annual extension on the loan made to NeighborWorks® is up for renewal as well.

N. Halvorsen stated that back in April, he discussed the Armory project with GBHA and how NeighborWorks® wanted to lease up the entire building. He shared that the project is progressing and that a scope of work for renovation has been created that will cost half a million dollars. NeighborWorks® is currently waiting to hear back from the water and electrical services to make sure the agricultural uses that will take place in the building will be safe. After hearing back from the water and electrical services, a commitment letter will be generated with a list of the renovation projects for the building. A meeting has already been scheduled to discuss the modifications for the Armory building. The Facilities Division from Northeast Wisconsin Technical College (NWTC) was at the Armory last Tuesday assisting NeighborWorks® with taking out windows and cleaning the building.

S. Popp inquired if the helpers from NWTC were students from the Facilities Division. N. Halvorsen replied that the helpers were NWTC staff. He explained that this was the second time for NeighborWorks® to have NWTC help them with a team building project. Student Services Division was the first to help NeighborWorks® with these types of projects in the past. The Facilities Division had 50 people present at the Armory, and they helped with removing the rotten hardwood floors. He mentioned that a lot of things were still useful and were given away to other sites that may need them.

N. Halvorsen stated that NeighborWorks® will work on the commitment letter to find any issues that need to be addressed regarding the building work. He asked that GBHA renew the annual extension of the loan to NeighborWorks® so they can continue with their work.

D. Dolan Wallace questioned the terms of renewing the loan. R. Hallet reminded Commissioners that two years ago the interest rate was changed to 1% on the loan amount of \$205,000.

A motion was made by S. Popp and seconded by B. Goodlet to approve renewal of the annual extension of the loan made to NeighborWorks® for the Armory project. Motion carried.

N. Halvorsen stated that he had some conversation with the neighbors and hasn't heard any opposition to the proposed use of the property. Furthermore, he explained that the window covers were pulled off to allow light into the building and realized this allows the neighbors to see through the building instead of having just a wall outside of their windows.

### **NEW BUSINESS:**

3. Review and approval to write off delinquent tenant accounts for fiscal year ending June 30, 2013

R. Hallet stated that every year tenant accounts are reviewed to see tenants that have an outstanding balance with the GBHA and to determine if GBHA should write any off of the books. She clarified writing them off does not release the tenants from their obligation to repay. She reported that there were 5 tenants from Scattered Sites and 2 tenants from Mason Manor that staff is recommending be written off.

D. Dolan-Wallace asked if the terms by law allow GBHA to have 20 years to take action with delinquent rents. R. Hallet responded that she was not sure of the time period. D. Dolan-Wallace mentioned that from the Landlord's Association meeting, an attorney indicated that there is a 20-year timeline to take action against delinquent rents.

N. Aderholdt stated the process used to attempt to recuperate the money. R. Strong added that small claims judgment can be issued.

S. Popp inquired why there are rents that are listed at such a high dollar amount. She asked if the rent was high for those individuals or did it just build up by the tenant not paying rent for each month. N. Aderholdt replied that she would give the tenants a 5-day cure, which the tenants would come up with a payment plan to pay off their rent. Usually tenants would say that they will pay when they receive their taxes, but most of them do not pay and then this leads to the accounts becoming so delinquent.

D. Dolan-Wallace questioned if GBHA is consistent with the amounts being written off. S. Schmutzer explained that this is done for an auditing standpoint – that it's better to write it off if it is revenue that you don't expect to get rather than keep it on the books as a receivable. If we do get some of that money, it's extra revenue that wasn't anticipated.

A motion was made by B. Goodlet and seconded by S. Popp to approve of writing off the indicated delinquent tenant accounts for the fiscal year ending from June 30, 2013. Motion carried.

4. Adoption of Resolution No. 13-04 Adopting Revised Flat Rents and Ceiling Rents for Mason Manor and Scattered Sites Public Housing

R. Hallet stated that in February GBHA made a motion to approve increasing the ceiling rents for Mason Manor. Also, earlier GBHA approved of new ceiling rents for Scattered Sites based on the new fair market rents. She explained staff would like revised flat and ceilings rents to be adopted for both programs at the same time. She explained that she discussed with N. Aderholdt, and both agreed that the best time to adopt the revised flat rents for both public housing programs will be in November. With the Scattered Sites program, the flat and ceiling rents are based off of HUD's fair market rent. Also, the utilities allowances for Scattered Sites are based off of the BCHA's utility allowances, which are determined by BCHA in April. N. Aderholdt added that this date is based off of Scattered Sites because Mason Manor's flat and ceiling rents are more flexible.

R. Hallet stated that at this point there is no action needed on this subject.

5. Adoption of Resolution No. 13-04 Approving the Operating Budget for the Housing Authority of the City of Green Bay for the 12-Month Period Ending June 30, 2014

R. Hallet stated that S. Schmutzer has generated a preliminary operating budget for the GBHA with detail this time for the Commissioners to view. She explained that the pages consist of Central Office Cost Center, Mason Manor, Scattered Sites, and a consolidated page.

S. Schmutzer stated that last meeting the Commissioners inquired about why there was \$900 in the Central Office Cost Center. She explained that the amount dropped down to legal expenses at \$230 and that some of those were Langan Investigations charges that were moved to the appropriate area. Another question that the Commissioners had was about why Mason Manor and Scattered Sites had a negative balance. She reminded Commissioners that GBHA had to spend down the funds because GBHA lost their operating funds in 2012 for having too much in the reserves funds. By spending down the reserves, it made the balances appear negative. She referred to the table that showed the projects decided upon in 2011 to spend down the reserves. She explained that the gray areas show which projects have been completed. There are a couple of projects that are currently in progress, including the foundation and landscaping projects. Mason Manor does not have a negative balance once depreciation is taken out for the 2013 year-end. Scattered Sites has a much larger negative balance due to replacing furnaces within the units. She explained it is possible to transfer money from Mason Manor to Scattered Sites.

S. Popp inquired about the negative estimated year-end amount for Mason Manor. S. Schmutzer responded that the money is coming out of the reserves funds. The reserves funds is equity because at the end of every year the revenue that comes in and the expenses that go out leaves the equity as excess money. This money can be used and borrowed from previous years. The reserves dollar amount can be found on the audit report at the end of the year.

S. Schmutzer stated that she had discussed with Matt Schampers, and they are fairly certain that HUD considers the amount of unrestricted net assets when determining the maximum amount of the reserves, which is 6 months of the average expenses. Mason Manor has \$348,000 and Scattered Sites has \$80,000 in the reserves funds. Depreciation is an audit entry item, and it has not been applied to the unrestricted net assets number.

Without applying the depreciation, Mason Manor has over \$1,000,000 and Scattered Sites has \$205,000 of reserves funds. Scattered Sites has about the right amount for where GBHA should be, but Mason Manor's reserves funds are a bit higher than they should be. Mason Manor can transfer money over to Scattered Sites.

D. Dolan-Wallace stated that when GBHA generated a list of projects, they decided to use the reserves funds for Mason Manor on certain projects that were necessary to improve Mason Manor. He inquired if the projects were not enough to use up a reasonable amount of Mason Manor's reserves funds. R. Hallet replied that due to staff time, there are some projects that are not completed yet. Staff has to perform their regular daily duties along with working on these projects. Some projects are also anticipated to cost more than initially estimated, which further delayed the projects as well.

S. Popp questioned if HUD had said that the GBHA has not spent enough of their reserves funds. R. Hallet responded that last year HUD did not give GBHA operating funds because the reserves were too high. To avoid that from happening again, it is best for GBHA to keep its reserves within the HUD-recommended limits.

D. Dolan-Wallace stated that there is also the consideration of large capital improvement projects, such as elevators, which to his understanding we are allowed to save money for such projects. S. Schmutzer suggested that a restriction could likely be put on money so it can be put aside for a certain project. We could indicate in the budget that we are doing this and that money would become restricted net assets for that particular project. R. Strong indicated we had done this for the new addition, then the ARRA funds became available, which allowed us to finish that project. D. Dolan-Wallace said they had talked about this for the elevators, too, and maybe we should look at this again.

B. Goodlet asked a question about revenues. S. Schmutzer replied that she is conservative in budgeting revenues because it is worse if you budget to get a certain amount of revenue and don't receive it than it is to budget less revenues and receive more.

R. Hallet stated that Item 5B in the packet is the resolution for approving the operating budget. D. Dolan-Wallace clarified that due to the previous resolution not being needed, this would actually be renumbered to Resolution 13-04.

A motion was made by S. Popp and seconded by B. Goodlet to approve of the adoption of Resolution No. 13-04 approving the operating budget for GBHA for the 12-month period ending on June 30, 2013. Motion carried.

S. Schmutzer remembered an additional item regarding the budget, namely out-of-state training. In approving this budget, they are also approving out-of-state training for staff, which is included in the budget. Specifically, this is training for S. Schmutzer to attend Casterline Associates PHA accounting training in Ohio. There is also a NAHRO training for R. Hallet to attend in Cleveland. She explained this is indicated in the budget under training. R. Strong explained that this is being mentioned because the City's policy is that out-of-state travel has to be approved by the Personnel Committee and then to City Council; because GBHA has their own board, it's necessary to have this authority approve out-of-state travel for GBHA employees. He also reminded Commissioners that we budget for two Commissioners to attend the NAHRO training, so they should consider if they would like to attend.

6. Approval of award for Mason Manor Asphalt Replacement - Maintenance/Delivery Driveway to Mid-State Asphalt for \$13,650

R. Hallet stated that last year Mason Manor was cited on the REAC inspection for the asphalt in the maintenance area of Mason Manor not being in good condition. This contract needed to be in place before the REAC inspection for Mason Manor so if GBHA is cited again, then we can appeal it. This contract was approved by R. Strong due to the short timing and now is brought before this Authority. R. Strong explained that we contacted D. Dolan-Wallace as chair before approving. D. Dolan-Wallace stated he approved it since proper procedures had been followed to obtain the bids.

A motion was made by S. Popp and seconded by B. Goodlet to approve of the award for Mason Manor Asphalt Replacement-Maintenance/Delivery Driveway to Mid-State Asphalt for \$13,650. Motion carried.

7. Approval to award Scattered Site Landscaping project to lowest responsive and responsible bidder not to exceed \$75,800

And

8. Approval to award Mason Manor Landscaping project to lowest responsive and responsible bidder not to exceed \$25,000

R. Hallet stated that she would like to address Item 7 and 8 together. She explained that the bids for the landscaping projects for both Scattered Sites and Mason Manor are scheduled to come in on July 10, but we are hoping to be able to cancel the July GBHA meeting, so if that's the case, we'd like to request Authority approval to award this project now so that staff can proceed with the project.

D. Dolan-Wallace inquired if there would be any issues with the bidding process. R. Hallet replied that GBHA has contracted with a landscaping company who went to all the properties and determined what kinds of plants to use, and the scope has been generated for each property regarding how many plants are needed and where they will be placed, etc. Another consideration will be the bidding price. The landscaping company was notified about GBHA's budget to not exceed \$75,800 when creating the scope. R. Hallet stated that approving the award to an unknown bidder will allow GBHA to proceed without having another meeting; otherwise this approval can be put on hold until the next meeting.

D. Dolan-Wallace suggested that if there should be any questions or anything unusual with the bidding process, then GBHA will meet to discuss this approval again.

A motion was made by B. Goodlet and seconded by S. Popp to approve of Items 7 and 8 to award Scattered Sites Landscaping project and Mason Manor Landscaping project to the lowest responsive and responsible bidder not to exceed \$75,800 for Scattered Sites and \$25,000 for Mason Manor. Motion carried.

9. Approval to award purchase of Mason Manor benches to Dumor, Inc. for \$4,810

R. Hallet stated the metal benches outside of Mason Manor are starting to rust, and staff would like to replace them. The \$25,000 budgeted for Mason Manor Landscaping was

meant for both landscaping and the replacement of the benches. Therefore this project will not actually be awarded to the vendor until the landscaping bids come in.

S. Popp inquired if it was safe for the benches to have only 194-pound seating capacity. N. Aderholdt replied that this was a concern she had as well because there is a possibility of two individuals' weight combined being higher than 194 pounds. She explained that Mason Manor currently has 194-pound seating capacity benches. R. Hallet suggested that staff could follow up with the bench company to confirm the weight capacity. Discussion continued regarding this with the conclusion that this may be 194-pound per support of the bench.

A motion was made by S. Popp and seconded by B. Goodlet to approve of awarding the purchase of Mason Manor benches in conjunction with the landscaping project to Dumor, Inc. for \$4,810. Motion carried.

#### **INFORMATIONAL:**

##### 10. Preliminary results of Mason Manor's REAC inspection

R. Hallet stated that the REAC inspection took place last week for Mason Manor, and the inspector was the same person from last year. She reported that the inspector was generous and allowed small things to be fixed on the spot. She explained that she estimated the score for this year's inspection by comparing it to last year's score. Most of the deficiencies for Mason Manor this year were different from the ones last year; however she estimated the score to be about 88 points. N. Aderholdt added that she feels the score will be better and that it would be about 90 points. To be considered a high performer, Mason Manor must score 95 points. Last year's score for Mason Manor was 76 points.

S. Popp stated that with how some of the small things were fixed right away during the inspection, these efforts will factor positively into the points. N. Aderholdt explained that there were some simple fixes that the inspector had to cite, for example the missing cover plates.

S. Popp asked what date Scattered Sites is scheduled for the REAC inspection. N. Aderholdt replied that the REAC inspection for Scattered Sites will take place on July 30 and 31.

R. Hallet stated that the score for Mason Manor will be shared at the next meeting.

##### 11. Langan Investigation report for May

R. Hallet stated that Langan Investigation sent a report stating that there were no background checks for the month of May. There was one fraud investigation that was found unsubstantiated and one fraud investigation that was made inactive. N. Aderholdt added that there were actually a couple of background checks that were sent in for May. R. Hallet said she would follow up with Langan about this.

##### 12. Reorganization of GBHA staff structure

R. Hallet explained that when Anne Monday retired, N. Aderholdt offered to manage both Mason Manor and Scattered Sites. After a few months of trial, we found that N. Aderholdt has done well with managing both programs. Staff has been working on reorganizing the

GBHA staff structure, and Human Resources is still in the process of making this position official. Human Resources anticipates bringing this to Personnel Committee on July 15, and then afterwards it will go to City Council. The two positions being affected are the Scattered Sites Property Manager and the Mason Manor Property Manager. Both positions will be combined into one, and the position will be reclassified. The reclassification is being investigated to see if it will increase N. Aderholdt's salary. There is also a new position which is being created called the Resident Coordinator. The Resident Coordinator will be the person who works on the lower-end clerical duties that the intern K. Vang is currently doing. Some of the duties are receiving applications, sending in background checks for potential tenants, offering units to tenants, conducting unit showings, generating work orders, etc.

13. Nikki Aderholdt's maternity leave

R. Hallet stated that N. Aderholdt is due in the middle of October, and she is anticipating taking 4 weeks off. The newly-created position of Resident Coordinator will have to take on more responsibilities while N. Aderholdt is gone.

**FINANCIAL REPORT AND BILLS:**

S. Schmutzer stated that there is no financial report at this time. She explained that she is working on entering the budget into the computer system, so she can print a useful financial report in the future.

R. Hallet stated a big payment was paid to the City for the January through May salaries. When GBHA is billed by the City, the City combines GBHA, BCHA, RDA, and staff salaries onto one invoice, which the accountant then needs to divide out by entity. This hadn't been done while we were without a Senior Accountant, and now we are paying all those months together. S. Schmutzer added that the City payment also included A. Monday's payout. The total paid to the City was \$102,000.

R. Strong explained that when checks are printed, they are reviewed and signed by both R. Hallet and R. Strong. They both check to make sure everything is paid correctly.

R. Hallet stated that several of the checks were on the last check run, but an error was discovered with one payment so the check was voided. S. Schmutzer added that the change is already in the software. The check payment to the City was voided and then a new check was reissued.

S. Popp questioned the credit card that the GBHA utilizes. N. Aderholdt replied that she has a credit card, and Reed Lewis has one as well. The credit cards are used to purchase necessities for the Scattered Sites or for anything that the GBHA needs for the programs.

**STAFF REPORT:**

14. Occupancy Report

N. Aderholdt stated that currently there are two vacant units for Scattered Sites, and we are fully occupied at Mason Manor.

S. Popp asked what a transfer is at Mason Manor. N. Aderholdt responded that GBHA has a transfer list for anyone who is currently residing in Scattered Sites or Mason Manor who

would like to move into a different unit. Tenants usually want to transfer because they would like to live in a larger unit or they would like to live in a different neighborhood. Staff has to offer units to transfers before offering to potential tenants. A Scattered Sites unit was offered to a family who was on the transfer list, but the family declined the offer. Transfer tenants are usually outstanding tenants.

R. Strong inquired how it would work for a Scattered Sites tenant to want to transfer into Mason Manor. N. Aderholdt responded this is treated differently because they are different programs.

S. Popp inquired about the applicant numbers on the report. N. Aderholdt replied that those are the numbers of applicants that are on the waiting list. S. Popp questioned if this includes wheelchair accessible. N. Aderholdt responded that they are all together as one waiting list; there's not a separate waiting list for handicapped accessible units because even the non-handicapped accessible units are able to be used by individuals in wheelchairs. However, the handicapped units give them more space to move around. An individual who utilizes a wheelchair would usually request for a lower-level unit. There is a transfer waiting list for tenants who would like to move to a lower level due to them using a wheelchair, and these tenants will be offered before any outside applicants.

N. Aderholdt stated that a change can be made to the application, and there can be an option where the applicant can indicate that he or she would like a unit that is wheelchair accessible.

D. Dolan-Wallace suggested that elderly tenants typically need more accommodations within their units, but there are not an equal number of units available to them in general. He suggested the GBHA may want to look at making the building specifically for elderly. N. Aderholdt stated that most of Mason Manor is filled with the elderly and disabled. When applicants want to apply, they are told that Mason Manor is mostly elderly and disabled tenants. Having Mason Manor specifically to serve the elderly and disabled can be something GBHA will consider for the future.

N. Aderholdt stated that contrary to the written occupancy report, 1408 University Avenue will not be coming vacant after all, and there are two upcoming vacancies for Mason Manor.

A motion was made by B. Goodlet and seconded by S. Popp to adjourn the GBHA meeting. Motion carried.

Meeting adjourned 11:50 a.m.

Kv:RAH:ejns