

MINUTES
GREEN BAY HOUSING AUTHORITY
Thursday, August 21, 10:30 a.m.
1424 Admiral Court, Second Floor Reading Room
Green Bay, WI 54303

MEMBERS: William VandeCastle – Chair, Sandra Popp - Vice Chair, Brenda Goodlet, Brad Hansen and Chiquitta Cotton

OTHERS PRESENT: Kim Flom, Nikki Aderholdt, Robyn Hallet, Stephanie Schmutzer, and Ka Vang

APPROVAL OF MINUTES:

1. Approval of the July 17, 2014, minutes of the Green Bay Housing Authority

A motion was made by C. Cotton and seconded by B. Hansen to approve the July 17, 2014 minutes of the Green Bay Housing Authority. Motion carried.

COMMUNICATIONS:

R. Hallet stated the Authority received a letter from the Housing Authority Insurance Group (HAIG) which provides dividends occasionally. The Authority received an A dividend of \$1,614.47 and another A dividend for \$3,480.35.

A motion was made by B. Hansen and seconded by B. Goodlet to receive and place on file. Motion carried.

OLD BUSINESS:

2. Review and approval of revised Mason Manor Resident Handbook.

N. Aderholdt highlighted the Mason Manor Resident Handbook has been revised to include an additional form for reasonable accommodations and to adjust the CO policy. She also spoke to W. VandeCastle afterwards because initially N. Aderholdt wanted to have the residents sign the handbook but not each individual policy. However, after discussing with W. VandeCastle, it has been agreed upon that the residents will review the handbook and still go through each policy and sign them individually. N. Aderholdt explained from a legal standpoint it would hold up better and from a management standpoint it would ensure the residents understand the policies.

A motion was made by C. Cotton and seconded by W. VandeCastle to approve of the revised Mason Manor Resident Handbook. Motion carried.

NEW BUSINESS:

3. Approval to award the Green Physical Needs Assessment and Energy Audit Contract to the responsive and responsible vendor whose overall proposal offers the best value for the GBHA, Keres Consultant, for \$14,006 plus \$1,600 per year for four years for annual updates.

R. Hallet explained that the Green Physical Needs Assessment and Energy Audit (GPNA) is a new requirement of HUD for all PHAs. The Authority put out a Request for Proposals because the vendor selection is not based solely on price but also on experience and the timing that contractors can complete the project. She highlighted that in the handout there were six contractors who responded and their scores. She explained the GPNA includes an inclusive sampling of the properties to help give the Authority a 20 year projection of capital needs on the properties such as roofing or plumbing issues. She noted the scoring charts showed Keres Consultant scored the highest. Staff did have a telephone conference with them to confirm that staff will be comfortable with Keres Consultant's reporting and experience. They also offer the lowest price.

B. Hansen inquired whether Keres Consultant was from Albuquerque, New Mexico. R. Hallet confirmed Albuquerque was the main office and there is also another office in another state.

B. Hansen noted the only contractor in town is the last one on the list with the highest price and may be more of a residential inspector.

R. Hallet stated she knows that many are concerned about and want the City to purchase locally and that is an issue the Aldermen are concerned about. However, that is prohibited by federal regulations; therefore, staff cannot make that part of the selection criteria.

B. Hansen stated he thinks nation-wide contractors know what to look for in the GPNA as compared to local contractors who may not have done it before. B. Hansen inquired whether the Authority will receive a copy of the report.

R. Hallet stated the report will probably be about the size of a three inch binder, therefore everyone will probably not receive a full copy but the report can certainly be shared and a summary will be reviewed. R. Hallet stated it may be the November meeting when the summary is presented.

A motion was made by S. Popp and seconded by B. Hansen to award the Green Physical Needs Assessment and Energy Audit Contract to Keres Consultant. Motion carried.

4. Approval to award purchase of a new truck to the lowest responsive and responsible bidder, Badger Truck Center, for \$24,181 as well as necessary truck accessories, totaling \$3,748, for a total not to exceed \$27,929.

R. Hallet stated they went out for bid and there were six responses. Badger Truck Center came in as the lowest bidder.

S. Popp made a motion to award the purchase of the new truck to Badger Truck Center.

W. VandeCastle inquired about the truck accessories. R. Hallet responded that there is a headache rack with strobe bracket, an LED strobe lights and a spreader (and also a fourth item, tube steps, which was erroneously omitted from meeting discussion)

W. VandeCastle inquired whether this new truck is to replace an existing truck. R. Hallet responded affirmatively, stating it is used primarily at Mason Manor for plowing but there is potential that it could be used to haul things or for other reasons with the Scattered Sites. N. Aderholdt confirmed there are a lot of hard miles on the truck due to the plowing

W. VandeCastle inquired how often trucks are replaced. S. Schmutzer stated the truck is well past its life, at 12 or 14 years old. S. Schmutzer noted this shows that maintenance takes very good care of the equipment. S. Schmutzer also stated that capital funds are set aside for this.

The motion previously made by S. Popp was seconded by B. Goodlet. Motion carried.

5. Review and approval of revised Scattered Site Resident Handbook.

N. Aderholdt highlighted the only difference between the Mason Manor Handbook and the Scattered Site Handbook is that this is brand new to Scattered Sites. N. Aderholdt explained a concise handbook for Scattered Sites has not existed previously but she thinks it will not only benefit the residents, but also the Authority and staff as well. In the event that staff forgets to notify residents of something during lease ups, residents can refer to the handbook. The handbook is also all encompassing, as is the Mason Manor Handbook.

W. VandeCastle inquired whether the handbook has all the policies and the sign offs.

N. Aderholdt confirmed it does. N. Aderholdt explained the Scattered Site Handbook is smaller in size because there are fewer policies associated with the Scattered Sites.

W. VandeCastle inquired whether each adult resident would be required to sign the policies, which N. Aderholdt confirmed is correct. C. Cotton inquired whether the kids over age 15 would sign as well, as they did with the Non-Smoking Policy.

N. Aderholdt stated the Non-Smoking Policy will be signed separately, however, to be legally binding the residents signing the policies have to be 18 years or older.

R. Hallet stated in regards to the Non-Smoking Policy, she understood the legality of it would not hold up in court when she stated that residents age 15 or older sign the policy, however, she wanted the teenagers to understand that the policy is not just the parents telling them not to smoke, but it is the Housing Authority's policy that smoking is not allowed in the property.

B. Hansen stated that this handbook has the same error as the Mason Manor handbook with CO detectors stating CO2. N. Aderholdt stated she made adjustments for that but did not change it in the table of contents.

S. Popp inquired about the reasonable accommodations form, which N. Aderholdt stated she did add.

N. Aderholdt stated she can make the adjustments and bring the Handbook back at the next meeting.

B. Hansen commented that the handbook looks pretty repetitive to the Mason Manor Handbook, except for the policy on lawn care and snow removal. N. Aderholdt commented that the policy on lawn care and snow removal simply states that residents must perform the snow removal and lawn care. R. Hallet stated that the lower level is responsible for these in the duplexes. N. Aderholdt clarified that all units are responsible for shoveling their own parts of the drive way and in front of their own sheds or garages. According to the policy, lower level residents are responsible for lawn care, but she generally lets the residents decide who does it; she doesn't care as long as it is done. N. Aderholdt confirmed that if lawn care does not get done, the responsibility is on the lower unit.

A motion was made by C. Cotton and seconded by W. VandeCastle to approve of the Scattered Site Resident Handbook. Motion carried.

6. Review and approval of Year End Financials for the fiscal year ending June 30, 2014.

S. Schmutzer stated the journal entries are in and there is one correction. S. Schmutzer explained she may have missed a journal entry from the auditors because there is an equity issue from the previous year. She explained she is still waiting for the auditors to find out where the missed entry is. S. Schmutzer explained that at the end of the year all the expenses and revenue roll into equity so something rolled into the wrong area or an adjustment was made that was not caught or the adjustment as made backwards. Therefore, S. Schmutzer has to get the trial balance from the auditors, match everything up, identify the issue, go back to 2013 year end, adjust it and then it would affect the equity in 2014. She explained she would then have to find it and fix it. S. Schmutzer stated everything else comes out except for equity for the HUD submission for FYE 2014. S. Schmutzer stated the FYE 2014 financials cannot be submitted to HUD unless the Authority approves them. Therefore, S. Schmutzer is asking that the Authority approve for her to submit it to HUD with whatever equity adjustment that she finds from the auditor. The submission is required no later than the end of the month.

S. Popp made a motion to approve the submission of the Year End Unaudited Financials with the addition of the equity adjustment that will be needed. C. Cotton seconded.

B. Hansen inquired on the Summary page, what the number \$622,095 on the line stating 6/30/2013 Financial Statements was reflecting. S. Schmutzer stated that reflects the equity or cash on hand. Then he asked if his understanding of the following numbers was correct: From the \$622,095 is subtracted the 1/31/2014 Budgeted Reserve Change of \$205,336, which is the profit and loss. Then take off the \$150,000 Committed Funds for the elevators. S. Schmutzer then explained the Remaining Projects of \$30,010 is remaining money from the spend down of reserves that was previously identified but haven't yet been spent. Then the last line, 6 Months Expenses, is HUD's earmark of the maximum we should have on-hand. This number should be compared to the Projected Reserve number to ensure our reserve isn't over the 6 Month Expenses. If it is, we are at risk of HUD recapturing it.

B. Hansen inquired on page 2 of 6, what the \$231,000 on the line called Transfers Out is. S. Schmutzer responded that should be depreciation; she entered it on the wrong line. B. Hansen then inquired if we budget for depreciation, as that line does not have a budgeted number. S. Schmutzer responded that it wasn't budgeted for in this particular budget, but she did budget for it in the current year. She explained that depreciation is not an actual cash payment out but shows up in the expenses because it is the fixed assets that are losing their value.

A motion and second were previously made; Motion now carried.

7. Review and approval for the write-off of delinquent tenant accounts for fiscal year ending June 30, 2014.

S. Schmutzer stated Mason Manor has \$2,273.50 and Scattered Sites has \$274.00 worth of bad debt we are seeking to write off. S. Schmutzer explained these are residents that have moved out that N. Aderholdt and she have discussed that they are unlikely to receive payment from. N. Aderholdt will be entering those accounts into TRIP and EIV that way those individuals will no longer be eligible for public housing until they pay back the GBHA. S. Schmutzer stated the only account that would truly be written off without ever receiving payment is the individual that passed away. N. Aderholdt stated the family said there wasn't any money left to pay it off.

W. VandeCastle inquired what the process was when a there is a delinquent account and the tenant passes away. N. Aderholdt explained that typically the family does inquire whether the individual owed any money and usually are willing to pay. In this instance, it happened suddenly and there wasn't any life insurance or anything to pay it.

W. VandeCastle noted if this issue should come up again, that there is a process in which the Authority can file a claim against their estate. W. VandeCastle explained there is a prioritization of which items will be paid first if the amounts owed exceed the amount in the estate.

R. Hallet inquired whether it would be worth the staff's efforts to file such a claim. W. VandeCastle stated that a family may say that there is no money but, later they may find that there are bank accounts with funds available that the individual did not tell anyone about. W. VandeCastle stated the tax intercept will probably not work very well in an estate situation because it is pretty rare that there is any money left; in an estate, there are many deductions in probating an estate that it's rare that they owe any taxes on it.

A motion was made by W. VandeCastle and seconded by C. Cotton to approve of the write-off of delinquent tenant accounts for fiscal year ending June 30, 2014.

INFORMATIONAL:

None

FINANCIAL REPORT AND BILLS:

S. Schmutzer explained that the year-end summary page should have been changed to remove the phrase "without depreciation" from the 1/31/2014 Budgeted Reserve Change line, because she does not do depreciation until the end of the year end.

K. Flom requested that S. Schmutzer make updates related to that and line depreciation should be on and email new copies to the Commissioners.

S. Popp inquired about the high Projected Reserve compared to the 6 Month Expenses. S. Schmutzer explained she does not have updated financial information. She has to take into consideration a few things and is hoping to get an updated financial statement number to the Authority soon, but she didn't have it at the time of doing this report because of the earlier discussed equity problem. Once the equity problem is resolved, she can send the updated summary to the Authority.

B. Hansen inquired whether the projected reserve changes monthly or does it only matter at the end of the year for HUD. S. Schmutzer stated she does not know when HUD views it. She explained that she completes this so that staff knows where the financials are at should HUD ask. She

explained she sends HUD the financial statements, which shows our net position. It is up to HUD to determine whether they will recapture or cut off funding because of excess reserves. It is based on year end financials, but she doesn't know when they actually review it.

S. Popp summarized that we are all under the assumption that HUD uses the year end financials, so we want to make sure our reserves are in line at that time. S. Schmutzer agreed and reiterated that the monthly estimates are so we always know where we are at.

A motion was made by W. VandeCastle and seconded by S. Popp to accept the financial report and place on file. Motion carried.

In regards to bills, W. VandeCastle inquired about the charges by the City of Green Bay for Charles Street and Crooks Street for \$60.00. S. Schmutzer explained those bills are the charges for when residents move out or leave large items on the curb for pick up. The Authority gets billed for the removal, however, the Authority charges the residents back.

W. VandeCastle inquired about the Custom Cues bill for \$1,314. N. Aderholdt reminded the Authority that we are redoing the recreational room at Mason Manor and turning it into a no-smoking area. The charges were for refurbishing the pool table.

W. VandeCastle inquired about the charges under Orkin for \$137.73. N. Aderholdt stated it is a monthly payment. N. Aderholdt explained it is part of the staff's proactive measure because Mason Manor still has some cockroach infestations and Orkin comes monthly for that.

W. VandeCastle inquired about the Wisconsin Public Service August 2014 UR charges. N. Aderholdt explained that is Utility Reimbursements for tenants and explained how Utility Reimbursements are calculated. S. Schmutzer further explained that at the end of the year, she adjusts it so that URs actually come out of rent instead of electrical.

S. Popp inquired about the WPS bill for \$6,884.40 at Admiral Court. N. Aderholdt noted that is the WPS bill for Mason Manor. R. Hallet explained the additional charge of \$309.44 bill is the electrical for the addition to the building.

A motion was made by S. Popp and seconded by B. Hansen to approve of the bills and place on file. Motion carried

STAFF REPORT:

8. Langan Investigations report for the month of July.

R. Hallet stated there were 12 background checks conducted for applications for Scattered Sites, 18 for Mason Manor and no fraud investigations.

A motion was made by S. Popp and seconded by C. Cotton to approve of the Langan Investigations report for the month of July and place on file. Motion carried.

9. Occupancy Report.

N. Aderholdt stated there has been a lot of turnover lately. N. Aderholdt noted the issue is not a matter of finding residents to fill them it is a matter of getting the units turned over and leased up. N. Aderholdt noted that is based upon the staff's time and the contractor's ability to work on the units as well as the upcoming residents and how quickly they are able to move out of their current situation to move into a GBHA unit. N. Aderholdt highlighted two of the vacancies at Mason Manor were terminated by her, two residents passed away, and two were transferred to nursing homes. N. Aderholdt noted that residents are not leaving because they were not happy at Mason Manor but rather either because management is removing them or they have to move due to their health situation.

W. VandeCastle inquired about the eviction of Apt 112. N. Aderholdt stated the resident in 112 was a public nuisance, disturbing the peace of other residents to the point where management had to get involved. R. Hallet noted it was recurring. N. Aderholdt stated she gave the resident the opportunity to leave on his own but he decided not to.

N. Aderholdt noted the occupancy rate is not necessarily reflective of what HUD would look at for occupancy rate because this report doesn't account for units that are taken off line, which HUD does consider that. Therefore the occupancy rate per HUD may actually be better than what is indicated here.

S. Popp inquired about the other eviction at Mason Manor. N. Aderholdt stated Apts. 707 and 814 were both terminated for similar reasons. 707 was terminated for failure to turn in paperwork and did not follow the directions for the bedbug situation and 814 for a similar situation with public nuisance and a bedbug situation. N. Aderholdt noted that two of the Scattered Site residents moved out because they purchased homes, one was terminated, and the other no longer qualified for the unit due to a change in family size, so he self-terminated.

N. Aderholdt noted upcoming vacancies included two more at Mason Manor and none at Scattered Sites but plenty of applicants.

S. Popp inquired how long the waiting list is. N. Aderholdt explained it's difficult to say: staff is saying it is twelve months for Mason Manor which is determined by the application date. As for Scattered Sites, it is based upon the unit size. Three bedrooms have a waiting time of twelve to sixteen months, four bedrooms is almost two years.

A motion was made by W. VandeCastle and seconded by B. Hansen to approve of the Occupancy Report and place on file. Motion carried.

10. Status of hiring a new Building Custodian II.

R. Hallet stated that the previous Building Custodian had resigned so the past few months, management staff has been going through the process of reviewing applications and interviewing. Recently, an offer has been made and accepted and Jeff Minix will be starting September 4. He was previously employed with the University of Wisconsin - Green Bay, where he worked in maintenance with student housing. He also owned his own carpentry business.

11. Status of Housing Intern.

R. Hallet stated the current Housing Intern received a full time job and we are now looking for a new Housing Intern. R. Hallet thanked Mai Nou for her contributions to the GBHA.

R. Hallet stated the WAHA Conference will be coming up and B. Hansen will be attending as a Commissioner. N. Aderholdt and R. Hallet will be going for the full conference. S. Schmutzer will be attending for one day and B. Hansen for the Commissioner's Day.

R. Hallet noted the NAHRO Conference is coming up in October and will be held in Baltimore this year. If anyone is interested in attending, please look at their website and let R. Hallet know.

S. Popp made a motion to adjourn, seconded by C. Cotton. Motion carried.

Meeting adjourned at 11:25 a.m.