

MASON COUNTY HOUSING AUTHORITY MINUTES

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF MASON COUNTY (MCHA) HELD AT 9:00 A.M. ON **DECEMBER 1, 2011**, AT THE MASON COUNTY COMMISSIONER CHAMBERS, 411 NORTH FIFTH STREET, SHELTON, WA 98584

1. **CALL TO ORDER AND ROLL CALL:** Chair Wallace called the meeting to order at 9:01 a.m. Roll call was as follows:

Present:

Chair Merrill Wallace
Commissioner Gayle Weston
Commissioner Carolyn Malanowski
Commissioner Karen Monroe

Absent:

Also Present:

Tom Drake, Longview Finance Director
Wendy Pearsall, Legacy Regional Manager
Britta Creed, Clerk of the Board

2. **MINUTES:** Approval of the October 27, 2011 regular meeting minutes.

Chair Wallace called for motion to approve the October 27, 2011 regular meeting minutes. Commissioner Weston/Malanowski moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

3. **PUBLIC COMMENT:** None

4. **CHAIRMAN COMMENTS:** Adding to agenda – Impact of PUD Fiscal Year 2012 Budget. Going add under 10.2 New Business

Cmmr. Wallace mentioned the Kneeland Park budget from the November meeting was not included. Wendy Pearsall, Legacy Regional Manager, said she will provide for the next meeting.

Cmmr. Wallace asked Ms. Pearsall if Elaine Hoglen could attend the meetings to answer questions when she is absent. Ms. Pearsall said that would be fine.

5. **COMMISSIONER COMMENTS/REPORTS:** None

6. **FINANCIAL:**

- 6.1 **Approval of Claims Certification for October**
The Cove Apartments - \$26,167.03
Pine Garden Apartments - \$15,160.60
Kneeland Park Apartments - \$13,055.61

Chair Wallace called for motion to approve the Claims Certification for October 27, 2011. Commissioner Weston/Monroe moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

Tom Drake, Longview Finance Director, stated there were voided transactions due to some checks that had gotten out of sequence, otherwise it was fairly routine.

6.2 Income Statement Review

Mr. Drake discussed the balance sheet. He was concerned with Pine Gardens and Kneeland Park payables getting worse.

Cmmr. Wallace mentioned that he will want to discuss the cost of the units per year for Kneeland Park. He was concerned. They had accumulated another twenty thousand.

Mr. Drake discussed the income statement. Cove properties look good. He stated Pine Gardens and Kneeland Park had a lot of write-offs. Pine Gardens were in line. Kneeland Park had vacancy issues.

7. MANAGEMENT:**7.1 Routine Occupancy and Property Inspection Reports** for The Coves, Kneeland Park, and Pine Garden for the month of October.The Coves

Ms. Pearsall noted that they were at one hundred percent with no notices and operating well. They had fixed the stairs, were working on the handicap guidelines and winterizing. They had a flood in two units due to the septic backing-up again. They were getting quotes for the cost. The maintenance person found out he had a terminal illness and gave his notice. They hired a new person who was working out well.

Kneeland Park

Ms. Pearsall reported that there were vacancy issues and one eviction. The cash flow was very low. They were trying incentives to get people to rent. Elaine Hoglen's assistant, Julie, was tackling issues that had not been getting handled. They're playing catch-up.

Mr. Drake explained the Auditors hadn't been paid. They wont come out and audit again until they receive the last payment.

Ms. Pearsall commented that all they had been able to pay was utilities and staff.

Pine Gardens

Ms. Pearsall stated that the operational report showed two units vacant and one eviction expected at the end of the month. In December they will have two units left vacant for the rehabilitation project. There only issue was cash flow. They let go of the maintenance person and hired someone with eight years experience.

8. DEVELOPMENT: None**9. UNFINISHED BUSINESS:****9.1 Pine Garden Apartments Rehab: Update/Legacy**

Mr. Drake said his staff reported what the budget was, the invoices that they were aware of and what had been paid so far. He was notified that they will receive a second payment from HUD in the amount of \$92,000. Mr. Drake explained the details of the budget and decided that they will need to talk to Scott Purdue to discuss the remainder of the charges. He also mentioned that HUD questioned when the construction will start again.

Ms. Pearsall stated that HUD was notified and was told the construction will start when the check is received, which is expected today. She also mentioned that she had an appointment with Mr. Purdue today after the meeting.

Cmmr. Wallace shared his concern that there wouldn't be enough money for the crew. The outstanding bill owed is \$112,000 and the check they are expecting is \$92,000. He feels that they are in the hole before even starting.

Cmmr. Wallace and Mr. Drake discussed the unpaid portion of the budget in detail.

9.2 Kneeland Park Associate Limited Partnership: Resolution 2012-01

Mr. Drake stated the resolution was drafted by an attorney. They will be required to have a \$2,500 payment to the Housing Finance Commission to process the transfer. There was not enough money in Kneeland Park budget, but there was \$2,700 remaining in the agency fund. It could be set up as a receivable.

Chair Wallace called for motion to approve the Kneeland Park Associate Limited Partnership: Resolution 2012-01. Commissioner Weston/Malanowski moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

10. NEW BUSINESS:

10.1 Certificate of Secretary as to Resolutions of the Board of Directors of Mason County Housing Authority: Resolution 2012-02.

Cmmr. Wallace commented that Mr. Drake had incorporated all of the properties in this resolution which will give Commissioner Wallace or a designee signature authority to conduct business. Most companies and banks require this documentation before they will do business.

Chair Wallace called for motion to approve the Certificate of Secretary as to Resolutions of the Board of Directors of Mason County Housing Authority: Resolution 2012-02. Commissioner Weston/Malanowski moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.

10.2 Memorandum to the Multi-Property Owners - Impact from PUD Fiscal Year 2012 Budget

Mr. Drake stated that this will effect Pine Gardens directly. If Congress holds up funding, they will stop paying for the rent subsidy. They will limit rent increases to their approved limits. HUD stated they have to run by the guidelines.

Cmmr. Weston asked if there were any grants to help with the rehab projects or properties.

Ms. Pearsall responded that she was not aware of any.

11. FUTURE MEETINGS: Special meeting December 29, 2011

12. ADJOURNMENT:

There being no further business, Chair Wallace called for motion to adjourn meeting at 9:46 a.m. Commissioner Weston/Malanowski moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.

Executive Secretary

Chair

SEAL:

