

## MASON COUNTY HOUSING AUTHORITY MINUTES

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF MASON COUNTY (MCHA) HELD AT 9:00 A.M. ON **MARCH 22, 2012**, 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:** None

**Also Present:**

Tom Drake, Longview Finance Director  
Wendy Pearsall, Legacy Regional Manager  
Julie Guantatato, Legacy Site Manager  
Elaine Hoglen, Legacy Site Manager  
Britta Creed, Clerk of the Board

2. **MINUTES:** Approval of the February regular meeting minutes.

**Chair Wallace called for motion to approve the February 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:** None

5. **COMMISSIONER COMMENTS/REPORTS:** Cmmr. Wallace added the 'Contract Rent Adjustments for Pine Garden' to Item 10.1.

6. **FINANCIAL:**

- 6.1 **Approval of Claims Certification for February**

The Cove Apartments - \$24,375.06  
Pine Garden Apartments - \$23,054.06  
Kneeland Park Apartments - \$16,232.28

**Chair Wallace called for motion to approve the Claims Certification for February. Commissioner Weston/Monroe moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

- 6.2 **Income Statement Review**

Tom Drake, Longview Finance Director, discussed the balance sheet. The Agency Fund had an additional \$300 which he suggested using to help pay an insurance bill. The income statement showed that the Cove's were doing well. Maintenance and operations was over budget, but utilities and administration offset it almost equally. Pine Gardens had a high vacancy rate and high expenses due to the rehabilitation project. Kneeland Park incurred unexpected legal expenses of \$6,800. With the exception of Pine Gardens, all

properties were running well.

Cmmr. Weston asked how the properties were doing on the debt schedule. She also asked if any bills pending over 30 days.

Mr. Drake directed her where to look on the balance sheet.

## 7. MANAGEMENT:

- 7.1 **Routine Occupancy and Property Inspection Reports** for The Coves, Kneeland Park, and Pine Garden for the month of February.

### The Coves

Wendy Pearsall, Legacy Regional Manager, reported that the Coves were doing well. She stated Elaine Hoglen, Legacy Site Manager, was doing a great job. There were very few issues to report.

### Kneeland Park

Ms. Pearsall stated that Kneeland Park was one-hundred percent occupied. There were some issues with payables and she was hoping to get the past due bills caught up. There were not many issues to report. She also complimented Julie Guantatato, Legacy Site Manager, on continuing to do a great job.

### Pine Gardens

Ms. Pearsall reported that there was one vacant apartment. Ms. Guantatato had someone ready to move in Friday, March 23rd, 2012. Pine Gardens had some cash flow problems and higher expenses, but she was hoping to see it start to improve.

## 8. DEVELOPMENT: None

## 9. UNFINISHED BUSINESS:

- 9.1 Pine Garden Rehab: Update/Legacy/Drake

Mr. Drake discussed the budget for Pine Gardens. Legacy had submitted the final voucher, but it will be pending until the physical inspection of the units. Once that is completed, the vendors and Purdue Construction will be paid. There is still a two and a half retainage could be held for up to 15 months with a \$8,354 shortfall. Legacy will be using the shortfall to go after reserve for replacement withdrawal for the extra work that was done. The extra work done included fixing leaks and deteriorated floors.

Ms. Pearsall reported that the rehabilitation was complete today, March 22nd, 2012. HUD stated that they wont release the funds until they have notice that the project is complete. Ms. Pearsall stated that she would let HUD know today, March 22, 2012, so the funds could be released.

- 9.2 MCHA Future Accounting Services: Update/Drake/Wallace

Cmmr. Wallace announced that this was Mr. Drake's last meeting in Shelton with the MCHA. He stated that Mr. Drake will continue doing the Claim Certifications. He will email them to the Board and Clerk of the Board.

Cmmr. Wallace had contacted various people to see if they were interested in helping with the accounting services for the MCHA. He stated that nobody had interest so far.

Mr. Drake stated that he would make a call to a former CPA from Shelton. That person had been out of town, but he will continue to try and reach him.

- 9.3 Others Interested in MCHA Properties: Update/Drake/Wallace  
Cmmr. Wallace stated that CAC (Community Action Council) had been contacted regarding the properties being available to purchase. The CAC wanted to be selective about the properties. They Housing Authority then moved forward with the Cove's rehabilitation project. The Housing Authority now owns the Kneeland Park property. The CAC came and toured the properties again. Commissioner Wallace found out that the CAC was applying for four percent tax credits. In recent emails between Commissioner Wallace and the CAC, he stated that the developer was still crunching the numbers to see if it was going to work. A question came up about joining a joint Housing Authority. He stated that they would probably pull out of the joint Housing Authority idea.

Ms. Pearsall announced that Garden Management is merging with Legacy starting April 1, 2012. She was going to the corporate office to discuss her position. She was given the green light to keep her staff, Ms. Hoglen and Ms. Guantatato. She assured the Board that somebody would be at the MCHA meetings to represent the Housing Authority. She also stated that she wasn't told much about the merger at this time, but she would keep the Board up-to-date as soon as she knows more.

Commissioner Wallace had been sent a new management contract to sign because of the merger.

Mr. Drake mentioned there was another option to consider. That option would be to refinance Kneeland Park and take some cash and get the other two properties on their feet.

Cmmr. Wallace also noted that another option for the Housing Authority would be to get a broker and apply for the four percent tax credit.

- 9.4 MCHA Commissioner Vacancy: Update/Creed  
Britta Creed, Clerk of the Board, announced that she hadn't heard any updates with the two people that were interested earlier in the year. She stated that nobody else has applied.

#### **10. NEW BUSINESS: Pine Gardens Contract Rent Adjustments**

- 10.1 Ms. Pearsall stated the new contract for Pine Gardens will be effective April 1st, 2012. She discussed the increase effecting the four, three and two bedroom units. Ms. Pearsall noted that it would not effect the residents.

**Chair Wallace called for motion for Chair Wallace to sign the annual rent increase contract for Pine Gardens. Commissioner Malanowski/Monroe moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

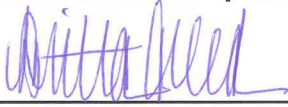
- 10.2 Mr. Drake discussed the final audit report. He reminded the Board that the audit was filed late due to a delay in payment. He reported that it was a clean audit. Mr. Drake will process and submit the new audit today, March 22, 2012. Ms. Pearsall drew from the reserve funds to pay for the 2011 and 2012 audit.

**Chair Wallace called for motion to accept the clean audit for Pine Gardens. Commissioner Malanowski/Weston moved and seconded motion. Chair Wallace called for question. None opposed. Motion carried.**

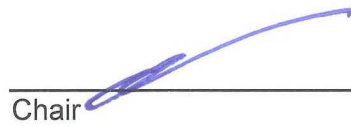
#### **11. FUTURE MEETINGS: April 26, 2012**

**12. ADJOURNMENT:**

There being no further business, Chair Wallace called for motion to adjourn meeting at 9:41 a.m. Commissioner Weston/Malanowski moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.



Executive Secretary



Chair

SEAL:

