

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 **AUGUST 23, 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 9:02 a.m. Roll call was as follows:

Present:

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

Absent:

Also Present:

Wendy Pearsall, Guardian Portfolio Manager
Elaine Hoglen, Cove Community Manager
Julie Gumataotao, Pine Garden & Kneeland Park Community Manager
William Rhoten, Guardian Regional Vice President of Operations
Britta Creed, Clerk of the Board

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

Chair Wallace called for motion to approve the July 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:** Wendy Pearsall, Guardian Portfolio Manager, introduced William Rhoten, Guardian's Regional Vice President of Operations. He stated that he had been with Guardian since July 2012 and had been in property management for forty years.

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

6. **FINANCIAL:**

6.1 **Approval of Claims Certification for July**

The Cove Apartments - \$30,649.35
Pine Garden Apartments - \$13,435.41
Kneeland Park Apartments - \$10,410.86

6.2 **Agency for July - \$534.82**

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

6.3 **Income Statement Review**

Cmmr. Wallace asked the Board if they would like to table the July Income Statement and Balance Sheet until the September meeting. Both reports were emailed to the Board from

the Corporate Office late the night before. The Board agreed to table.

7. MANAGEMENT:

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

The Coves

Mr. Rhoten reported that the Coves were at 97% occupancy and explained the payables.

Mr. Rhoten also discussed the format of the reports in detail and what to expect in the future. He explained the yearly audit and stated that they will keep all of the corrections until after the audit and then post them.

Cmmr. Weston questioned if the report didn't show the corrections then how will they know where they actually are.

Cmmr. Wallace stated that they had gone through many property managers and they were missing some of the information from past auditors.

Mr. Rhoten suggested having an auditor come to a MCHA meeting to explain the details that were questioned.

The Board agreed that having an auditor visit would be a good idea.

Kneeland Park

Mr. Rhoten commented that there were more payables that were owed than what was in the bank. He stated that this is property was struggling and was cash challenged. He reported that this property was at 95% occupancy.

Ms. Pearsall noted that the Kneeland Park property had outstanding balances. The property didn't have a good occupancy rate at the beginning of the year but was improving. She had been trying to pay small payments to the vendors to keep good standing. Ms. Pearsall also mentioned that there was a payroll issue with maintenance and there would be an adjustment of 40 hours on next months report.

Pine Gardens

Mr. Rhoten stated that Pine Gardens had all of the units full but had poor cash flow. This property was improving since the completion of the rehabilitation project.

Cmmr. Wallace stated that payroll was going up and down.

Ms. Pearsall explained that was due to payroll was weekly and now it is monthly.

8. DEVELOPMENT: None

9. UNFINISHED BUSINESS:

- 9.1 **MCHA's Reply to CAC's Offer to Purchase Kneeland Park Apartments**
Cmmr. Wallace gave the history of CAC's offer to Purchase Kneeland Park. He stated that the Board agreed to try and refinance the property instead of a counter offer.
- 9.2 **Pine Garden Apartments Refi**
Cmmr. Wallace reminded the Board that they were approached by CMI in the past to purchase the Pine Garden property. The original proposal from CMI was that the Housing

Authority would front some money and in closing they would get it back. CMI came back and stated that they would like to have \$24,000 up front and receive \$4,000 back in closing. Commissioner Wallace noted that the Pine Garden property did not have that kind of cash. He let them know if that wouldn't work and asked if that money that they asked for up front could be tied in to the loan. They said it could but raise the interest rate.

9.3 Kneeland Park Apartments Refi

Cmmr. Wallace stated that Anchor Bank was holding the current loan. He asked Anchor Bank if they could do a loan modification and remove some of the equity to pay a few items off. Anchor Bank stated that they will try to restructure some debt with a lower interest rate. If the Board decided to move forward, Anchor Bank would require an appraisal which was approximately \$5,000. Commissioner Wallace mentioned that nothing was in writing yet.

9.4 MCHA Commissioner Vacancy

Britta Creed, Clerk of the Board, announced that the MCHA have a new Commissioner, Tamra Ingwaldson.

Tamra Ingwaldson commented that she had lived in Mason County approximately five years and works at the local United Way office as an Executive Director. She welcomed any assistance from the Board to learn more about the Housing Authority.

10. NEW BUSINESS:

10.1 Cmmr. Wallace stated that in September they would be ending a fiscal year.

10.2 Cmmr. Wallace stated that the September MCHA meeting would be an election of officers for the Chairperson and Vice Chairperson.

11. FUTURE MEETING: September 26, 2012. Ms. Pearsall stated that she had training in Seattle scheduled on the 27. The Board agreed to hold a special meeting on the 26th.

12. ADJOURNMENT:

There being no further business, Chair Wallace called for motion to adjourn the meeting at 10:24 a.m. Commissioner Malanowski/Weston moved and seconded to approve motion. Chair Wallace called for question. None opposed. Motion carried.

Executive Secretary

Chair

SEAL:

