

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF MASON COUNTY (MCHA) HELD AT 2:30 P.M. ON **January 18th, 2023**, IN PERSON AT MASON COUNTY PUBLIC HEALTH DEPARTMENT CONFERENCE ROOM AND ONLINE VIA ZOOM

1. **CALL TO ORDER AND ROLL CALL:** George Blush called the meeting to order at 2:37 pm. Roll call was as follows:

Present: Frank Pinter, Dale Elmlund, George Blush, Allen Emmons, April Pooler, Randy Neatherlin

Others present: Dan Armstrong

Public Comment: None

Chairman comments: None

2. **Adoption of Agenda:** April Pooler motioned to adopt agenda, seconded by Allen Emmons. Unanimously accepted.
3. **Approval of Minutes:** Correction on prior minutes to correct attendee name “Brian” to include surname, changing to “Brian Fite”. Accepted. Approval of minutes motioned by Dale Elmlund, seconded by George Blush. Approved unanimously.
4. **New business – Frank Pinter**
 - a. **SAO (State Attorneys Office) audit** – We had an SAO meeting, had SAO do a request for information, they sent out a requesting letter. Cascade replied and forwarded requested information on the last day possible, 12/31/2022. I forwarded this information to the state auditor. Our meeting that was scheduled today at noon was cancelled, so we will meet next Wednesday (01/25/2023) at noon. This audit, spanning from 2017 – 2021, was all under Cascades tenure so we will see what the final audit says.
 - b. **Sales tax exemption for Washington state housing authorities** – Last month I notified the board that Housing Authorities are not responsible for sales tax. In the last meeting, I reported that we should be reimbursed approximately \$14,000 for the year of 2019 but it turns out to be \$27,000. So now, we still have 2020-2022 that we can file back for.
 - c. **Status of procurement and personnel policy** – I have not finished the procurement, nor personnel policy. I am about 75% done. Some time this month I will send out a draft for board members to review. Next month at the board meeting, we can talk about any proposed modifications.
 - d. **Status on lack of subsidy payments and resultant cash flow** – Since the last board meeting, we have been able to get with USDA and get subsidy payments processed.

We now have access and we can do processing for USDA subsidies. The first payment was \$13,900 approximately. All of it went to pay for past due mortgages. It was \$1,700 short so this month when we do payments for February we should get some cash coming in from USDA for us, it should be around \$6-7,000.

- e. **Status of online payroll processing via Gusto** – We did go with a payroll process service called Gusto, managed by our CPA Teresa Johnson. It is also hooked into our online QuickBooks and does automatic updates. One change we need to make is to have people clock their time in because then they're given the opportunity to allocate time to a project. At this point we only have 2 projects, one is ARPA for apartment renovations and the other is Admin. With only 2 projects, it is not a critical issue right now but moving forward it will be. We will need to track our work on Kneeland water damage work, fire damage at Coves, and I think that is it for now.
- f. **2022 financials being worked on by TDJ, CPA** – Spoke with staff yesterday. I've been on the phone with them through the week getting all updates and financials now these are per our books. Cascade finished theirs at the end of September which is when we ended our contract. They did, however, post our October which is not a big issue but what we thought were beginning balances from Cascade were indeed not. This leaves a little more work for us to update transactions. They took money from HUD for subsidy payments and applied it toward accounts receivable. We must update for their activity in addition to ours. Cascade didn't even tell us this work was done, I looked into their share files about a week ago because I couldn't balance out the banks and realized I couldn't because they had prepared an October financial statement.

5. **Old business** – Frank Pinter

- g. **Discuss the status of maintenance project by project update** – Dan Armstrong spoke to this topic. With Fairmount fire damage, we have one unit with the lesser damage about 95% done with repairs and ready to rent. We started on the upstairs; the new roof has been put on and finished. We requested demo abatement for USDA and the roof and were approved for the \$84,000. We will keep moving on that, we should have 2 more units done by next week and can start moving on to other projects. Per the water damage insurance claims, the insurance check was made out to the wrong association and had to be reissued correctly. Once that comes back, we will deposit those funds and get moving on the water damage repairs. We also had a roof cave in and some other maintenance that have come up. Dale asked if the 95% completed unit was the ADA compliant apartment, to which Dan replied that it is not the one, the one being built back up from the studs will be the ADA apartment.

2. **Questions – None**

Meeting closed @ 2:51 pm, opening an executive session.

Executive session closed @ 3:15 pm.

3. **Action, if any, from the executive session** – No action enacted or conducted. We talked about Pine Garden Apartments being affected by black mold and seeing what the Housing Authority wants to do in regard to the issue and what we want to pursue as a result of black mold and whether or not we want to sell the property. George Blush asks that Randy Neatherlin, at the next meeting, presents us the ARC program so that we can consider options there and with perhaps building new on the existing property and tearing down the old. Voted aye, unanimously.

Further discussion after the meeting reopened, the roofing and electrical budget was mentioned as there is currently \$30,000 left over for roofing. The plan is to go to the legislature and ask if the left over \$30,000 can be used for roofing on the Fairmount or Kneeland apartments, as the original funding was \$100,000 for just Pine Garden apartments alone which is now completed. Dale asked if that funding would be earmarked for applying or installing roof vents that were never put in in the first place, which he was told yes. George asked if the \$30,000 can be used for mold remediation. Frank replied that if you ask for a mod to your scope of work, generally they will allow it if it's in the same type of activity. Once you start changing your scope of work, it becomes a complicated process and there's potential that they will say no. In this case, if we request to spending on roofing at another facility, it's in the same scope and will generally be approved. As mold remediation is such a different scope, the answer is no.

It was mentioned by Frank that a special meeting may be necessary to discuss ARC options. To be determined.

4. **Future meeting is February 15th, 2023**

5. **Adjournment of meeting**, motioned by George Blush, seconded by Dale Elmlund @ 3:20 pm. Meeting adjourned.