

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 2:30 P.M. ON **April 19th, 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 2:48 pm. Roll call was as follows:

Present: Dale Elmlund, George Blush, Becky Cronquist

Others present: Randy Neatherlin, Dan Armstrong, Dave, Frank Pinter, Seth Davick – Ad-West

Public Comment: None

Chairman comments: None

2. **Adoption of Agenda:** Dale Elmlund motioned to adopt the agenda, seconded by George Blush. Unanimously accepted.
3. **Approval of Minutes:** Approval of minutes motioned by George Blush, seconded by Dale Elmlund. Approved, unanimously.
4. **New business – Dan Armstrong**
 - a. **Introduction of Becky Cronquist** – The group introduced Becky Cronquist as the newest board member of the MCHA.
 - b. **Status of SAO audit: Response due to SAO 04/21/2023**– Frank stated that he sent the audit to everyone in the group, and as we knew, it was going to be a horrible audit, and so a response is due back by Friday, and I will have that distributed out to the board by Thursday evening. Then, I will send the response off to the state auditors by Friday, if there are any changes a board member would like to make, get it back to me as soon as you can on Friday. For modifications and adjustments, we have 2 more weeks as a matter of fact, but still, it is better to respond as quickly as you can on Thursday or some time on Friday if necessary. It is going to be a difficult response because the main complaint, as they've had for years, is a lack of financial stability and how do you respond to that, other than to say, "we'll try to do a better job?" George said, yes, at the end of the day, we believed in the past the money was there and wasn't used properly, and now we are here and making it work. Frank stated that another point is the full possible money is not there, as we did not get all our rent increases we were eligible for, there was a high vacancy rate, we did not get all certifications, so there are those issues which directly cut into cash flow. So, correcting those issues in addition to using the money more judiciously is the answer. Randy asked about the 2017 minutes missing, they had a quorum in 2017 so there should be minutes, there should've been enough in 2019, right? Not all of 2017 was missing, just a couple months, says Frank. Randy said, there will always be something but now we can strive to make sure we get a clean audit in upcoming years and stay in compliance, it is only up from here.

- c. **Status on lack of subsidy payments and resultant cash flow** – USDA processing reporting inadequacy is a severe problem.
- d. **Status of Ad-West Conversion** – Seth Davick from Ad-West provided an update. Seth says, on Pine Gardens, we've submitted November and December vouchers, and he asked Dan if funds have come in. Dan reported that he must go to the bank to check. Seth said we are looking at ~45,000 in subsidies to come into Pine Gardens, Kneeland Park Apartments, and the Coves. We just went live in our software for Kneeland so we will work quickly to get everything updated and submit everything for 2022. For the Coves, once live, in the next day or 2, we will work to get caught up on all certifications through the USDA. Hopefully by next month we will be caught up – that's the goal, and we should be. Becky asked if Ad-West manages all properties and Seth confirmed yes, they do now. Randy wanted to clarify that they (Ad-West) are brand new to us, and it was the prior company that put everything in a very bad position, and Ad-West is already doing more in a short time than previous management companies have over years. Seth concluded that having everything finished and up and running by the 1st is the goal.
- e. **Status of adding Dan Armstrong to all the Bank Accounts and remove Frank Pinter from them, leaving George Blush, Dale Elmlund and Dan Armstrong as signatures** – Dan explained that it has been a complicated and time-consuming process getting added to the bank accounts. As of a couple of hours ago, I was being told to call and try to reset the online accounts and that I should be on there, but the bank cannot confirm for sure. Everything has been submitted, and as for the local branch, I am still concerned if they have submitted paperwork yet.

5. **Old business** – Dan Armstrong

- f. **Discuss the status of maintenance project by project update** – Fairmount property, we have moved 2 people in, one person moved out, which that unit is already done, after the vandalism it is clean and back up and ready. We are working on getting a resident there, seeking contractors to take over the remodel of the burn units for those, but the 2 vacant next to it are about ready as soon as we can get plumbing for the whole building done. Kneeland Park property, 1 almost completed there, full trash out and water damage units left to work on. Goldsborough is similar, rented all but 1 biohazard unit we have been trying to clean, trying to knock out what we can before we do that. Number 11 at Fairmount was a down to the stud's project we have also started. Pine Garden, Bryan started #1 this week, and should be done by the end of the week. Water damage for Kneeland is pretty much still the same, we haven't started on that yet. Which apartment is that? asks Dale. A101, A102, A202 says Dan. Fire damage units, electric is completed, maintenance supervisor Mitch is reaching out and getting more bids, only 1 bid so far, having a struggle finding general contractors right now, hoping to have 2 more bids by next week. I

need to sign and notarize the letter for the insurance agent for the other half of our insurance claim. It is getting nicer outside, so we have started our exterior pressure washing and deep cleaning, prepping for striping and curbs once the weather stays nicer. Dale asked if there has been a tree faller contractor who has contacted yet, Dan said yes, I did meet and get an estimate, I will need a couple more. Fairmount Coves front building has all big trees overlapping roofs, down other trees over last 20 years have caused excessive damage, so we are researching options to get rid of the trees and that problem, hopefully by the next board meeting I'll have an update and cost for everything.

2. **Questions** – None

Meeting closed @ 3:08 pm, opening an executive session.

Executive session closed @ 3:34 pm.

3. **Action, if any, from the executive session** – George Blush made the motion that MCHA proceed with the sale offer on Pine Garden apartments, for \$2.8 million, seconded by Dale Elmlund. Approved, unanimously.

4. **Future meeting is May 17th, 2023**

5. **Adjournment of meeting**, motioned by George Blush, seconded by Dale Elmlund @ 3:36 pm. Meeting adjourned.