

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 **May 17<sup>th</sup>, 2023**, IN PERSON AT MASON COUNTY PUBLIC HEALTH DEPARTMENT CONFERENCE ROOM AND ONLINE VIA ZOOM

1. **CALL TO ORDER AND ROLL CALL:** Randy Neatherlin called the meeting to order at 2:42 pm. Roll call was as follows:

**Present:** Dale Elmlund – Vice Chair, George Blush – Chairman, Dan Armstrong – Assistant Director, Randy Neatherlin – Ex Officio Board Member, Becky Cronquist – Board Member, April Pooler – Board Member

**Others present:** Cheryl Craig – Mason County Public Health, Seth Davick – Ad West

**Public Comment:** None

**Chairman comments:** None

2. **Adoption of Agenda:** George Blush motioned to adopt the agenda, seconded by Dale Elmlund. Unanimously accepted.
3. **Approval of Minutes:** Approval of April and May 2023 minutes motioned by George Blush, seconded by Dale Elmlund. Approved, unanimously.
4. **New business –**
  - a. **Inquiries –** Becky requested to speak and posed some inquiries to the group. She asked about the policies and procedures for the MCHA, and George said he will provide a copy to her. Randy added that she can always bring new ideas and policies to discuss with the group if there any she would like to see put in place as well. When she asked about a strategic plan in place, George explained that once the MCHA gets to a baseline of normalcy after correcting the last 5 years of mismanagement, the group can focus on developing that strategic plan. Becky mentioned the Department of Commerce funds that can be applied for to rehab properties, and asked if the group was aware of this. It was confirmed that the group was aware, and Frank had applied for about 200k which was awarded and allowed MCHA to get electrical and roof work done for their apartments. Becky asked if we could do that application for funds again, and Dan said he believes so. Randy added that if Becky finds anything she thinks MCHA should apply for, to please bring it forward.
  - b. **Renewal Contract For TDJ Accounting Services –** The contract was dispersed to the group prior to the meeting. There were no requested additions or changes. The goal with TDJ Accounting Services is to get finances reconciled and to get everything from Cascade and the management company to be thoroughly processed to make sense of the happenings under their employment. Dan added that MCHA needs an accountant, whether you have a management company running everything or not, we still have our books that need taken care of. We still need reports filed in a

timely manner, and we have been lacking on that in the past 5 or 6 years. George said an accountant puts proper checks and balances where they need to be. Randy agreed and said, Theresa Johnson has been working with Mason County for years, why not embrace that? She's the one who put it all together again, so it makes sense to keep her, even for one more year.

*A motion was made to renew the contract with TDJ Account Services by George Blush, seconded by Dale Elmlund. Motion carried, unanimously.*

- c. **Pine Garden Sale Update w/ Dan Armstrong** – 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 15<sup>th</sup>, 2023**

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

DRAFT