

RUTLAND HOUSING AUTHORITY
Board of Commissioners
MINUTES
Annual/Regular Meeting of April 19, 2018

Chairman Markowski called the meeting to order at 8:06 AM on Monday, April 9, 2018 in the Sheldon Towers Community Room, 14 Sheldon Place, Rutland, VT.

ROLL CALL/INTRODUCTIONS:

Let the record show the following:

Board of Commissioners Present:

Chairman Kevin Markowski, Vice-Chairman Karl Anderson, Commissioner James Richards, Commissioner Tina Johnson, and Commissioner Rev. Andrew Carlson.

Rutland Housing Authority Staff Present:

Kevin Loso, Executive Director; Staci Buysse, Finance Manager; Carol Keefe, Resident Services Program Manager/SASH Supervisor; Becky Ladabouche, Section 8 Program Manager; Sheri McCloskey, Property Manager; and Barbara Richardson, Administrative Assistant.

ANNUAL MEETING

Annual Report – RHA’s Annual Report is covered in pages 51 & 52 of the City of Rutland’s Annual Report (pages 1.22 - 1.24). At the time of publication Commissioner Carlson had not yet been appointed, but his name will appear in the report next year.

Appointment of Rev. Andrew Carlson to a First Full Term Ending March 31, 2023 (pages 1.2 -1.3) – The Board welcomed Rev. Carlson to his first full term. Mr. Loso thanked all Commissioners for their dedication and commitment to the RHA in this volunteer role.

Election of Officers – After a brief discussion, Chairman Markowski and Vice-Chairman Anderson offered to remain in these offices, with Mr. Loso as Secretary of the Board. Commissioner Anderson moved to accept the slate as proposed, with a second by Commissioner Carlson. The vote was unanimous to approve.

Updates to contact information will be made and the list will be posted this month.

BOARD EDUCATION

Rental Assistance Demonstration (RAD) Program Webinar – HTVN Transforming

Through RAD Success Series, Part 1: Getting Started - Setting Goals for Long Term Success.

In February the Board was introduced to the basics of the RAD program as an option for funding and operating our Public Housing properties long-term. This training series provides more depth review and context for the Board in this process. Mr. Loso reported that he met with the Executive Director of the Springfield Housing Authority, where they have successfully converted their Public Housing inventory to the RAD model. Their conversion was very successful with increased income and less regulation. He cautions that RAD is not an automatic fit for all PHAs and we will still be tasked with the process of due diligence.

TENANT CONCERNS

None.

APPROVAL OF MINUTES (pages 1.4 – 1.11)

A motion was made by Commissioner Richards and seconded by Commissioner Carlson to approve the Minutes of the Regular Meeting of March 19, 2018. Upon a roll call, the ayes were unanimous to accept as submitted. Said motion carried.

CONSENT AGENDA: (pages 1.12 - 1.19):

Chairman Markowski asked if there were any questions regarding the items in the consent agenda for the month of March 2018. There being none, a motion was made by Commissioner Johnson and seconded by Vice-Chairman Anderson to approve the Consent Agenda items, including:

**Manifests: Section 8 Checks #2324 through #2327 and Direct Deposit #61190 through #61290 and Manifests Public Housing #14639 through #14720
Credit Card Report 2/22/2018 – 3/22/2018
Manifests: Payroll: 3/14/2018 and 3/28/2018**

Upon a roll call, the ayes were unanimous to accept as submitted. Said motion carried.

EXECUTIVE DIRECTOR'S REPORT:

- **Hickory Street 3 Update** – Marketing will launch this week. The requirement is to lease up 13 units by June 30 and 9 more by July 31. We have a large waiting list and will reassess applicants' eligibility for the 21 Tax Credit units in light of the new Income Limits published April 1, 2018 (see below). There are 13 straight Tax Credit units, one market-rate duplex unit, and 8 Project-Based Section 8 Voucher (PBV) units. Six of the PBV units are earmarked for applicants experiencing homelessness and ideally receiving services from the Homeless Prevention Center. We expect the duplexes to go quickly, but

it may be a challenge to fill the 18-plex within this timeframe.

- **Hickory Street Phase 1 Flooring** – The material for the project has arrived. Abatiello Design will commence installation when they're confident that winter weather has ceased.
- **RFP for Painting Contract** – The RFP has been issued with proposals due on April 25th. The low bidder will be used on an as-needed basis when conflicting priorities make it impossible for our maintenance staff to complete the turnover. If the lowest bidder cannot meet our timeline, we will contact the next lowest bidder.
- **RAD Letter of Interest** (pages 1.20 – 1.21) – Pursuant to Resolution 2018-06 (Board approval for submitting a Letter of Intent for the RAD Project), Mr. Loso sent the attached letter. This doesn't commit RHA to the program, but it gets us on the waiting list while we research if the program is a good fit.
- **City of Rutland 125th Annual Report** (pages 1.22 -1.24) – As mentioned in Annual Meeting notes, the 2019 report will include the entire board roster.
- **HAI Board Readiness Training** – HAI Group is our insurance carrier. Mr. Loso has been invited to this training, which includes written coursework, a certification exam and in-person trainings. The info is valuable to RHA. Mr. Loso usually attends their training for PHA defense attorneys as well.
- **RHA Front Office Security** – We've secured three bids for the work to replace the front office wall, door and windows. The work will cost \$4K - \$5K, which is an appropriate investment in safety. Egress from the front office will be through the Board Room and the back window. There are coded keypad locks on the doors to the front and back offices, and a buzzer was recently added to alert staff when the front door opens.
- **Income Limits** (page 1.25) – Very good news: HUD Income Limits for our area increased dramatically as of April 1 – by \$3K in some categories. We expect this will ease the Hickory Street 3 lease up progress, as families can now earn more and still qualify.

REPORTS AND DISCUSSION ITEMS:

Finance/Administration Report (Pages 2.2 – 2.7)

Consolidated Budget Comparison and Variance Report for February 2017 Revenues and Expenses - Ms. Buysse reviewed her report. Established trends in revenues and expenses changed little in February. Revenue from rents was \$2800 over budget, due to lower excess utilities and the fact that we collected unbudgeted Forest Park rents in April and May. Other revenues were \$25K under budget, with fluctuating Section 8 Administrative fees and Housing Assistance Payments (HAP), though these are on the upswing.

Under expenses, payroll is under budget by \$57K, mostly due to the suspension of the Building & Maintenance Supervisor position and RHA being without a Property Manager for 2 months.

Utilities were under budget despite the cold weather. Fuel prices did rise but we had the advantage of a very favorable price lock for propane.

Administrative expenses are almost \$1K under budget. As mentioned before this is due mostly in Training & Travel, thanks to e-learning replacing in-person training for savings of more than \$10K.

Service Contracts/Consulting was over by \$12K due mostly to the Leddy Group expense for the receptionist position. This should change as we have advertised the new Customer Service Specialist job and will hire soon.

Maintenance expenses were \$22K under budget, primarily due to Forest Park expenses that had been budgeted, but are no longer required. Exterminating was almost \$2600 over budget. Rubbish removal was \$8K under budget because we had budgeted 12 months of expenses for Forest Park and spent only 5 months' worth.

General expenses show about \$11K under budget due to how our accountant handles insurance expenses and Payment in Lieu of Taxes (PILOT) – by year end they will level out.

Non-routine Maintenance was almost \$50K over. Extraordinary Maintenance expenses were up due to storm damage expenses, replacement of a Sheldon Towers boiler, and carpet replacement from tenant turnovers.

Replacement of Non-Expendable Equipment was \$9.8K over budget due to the purchase of a new trailer and sander for the truck.

Betterments & Additions was \$13K over budget due to unplanned elevator improvements at Sheldon Towers.

The surplus on February 28 was \$116,844 (\$91,188 after PILOT payment), but after the April 18th visit with our fee accountant to close out the year we hope to come in close to budget. The year-end report usually arrives in June, but we hope to have it earlier this year. The General Fund bank balance stood at \$1,065,658.20.

Cash Flow – Trends continue here as well. A couple of things of note: Cash In reflects the capital fund drawdown for anticipated payment for elevator repairs. We also show income from the HASS grant and a small grant for the SASH diabetes program. We've added a new line item to Cash Out: 457b Prudential Contributions (the 457b employee plan). Instead of writing an AP each month for the employee deductions, the funds are now withdrawn after each payroll from RHA's bank account. This is more secure, and means that employee contributions will no longer be subject to a time lag.

Commissioner Johnson said that she has noticed that some tenants have their windows open while their heat is on. She has mentioned to her neighbors that they may not be paying a fuel bill, but it's still an expense to RHA and ultimately has an impact on available resources. Mr. Loso said that we do address it with tenants when we witness it, but to inform the office when you see it so that Ms. McCloskey can follow up.

Property Management (page 2.8)

Ms. McCloskey reviewed her report. Maintenance staff have replaced emergency pull cords in units at Sheldon Towers and Templewood Court with cords that now reach to the baseboards to comply with updated HUD requirements.

Commissioner Johnson said the process was very smooth from the tenants' perspective. Commissioner Richards asked how the alert system works and its efficacy. Staff explained that the alarm and flashing lights alert neighbors and unlocks the front door. Commissioner Johnson reported that the alarm system was activated by a neighbor who had a stroke, and that she was able to call 911 and stay with her neighbor until help arrived. In those cases where SASH is involved and they're aware that someone might be at risk, they help the resident obtain a fall alert device.

Templewood Court Housekeeping inspections are scheduled. We have started eviction of a tenant for chronic smoking violations and are working with the Legal Aid counsel to come up with a plan to keep the resident housed.

At Sheldon Towers, AT&T is replacing antennas, and Otis is working on elevators. There are two vacancies, and Maintenance is installing the carpet in both units. The change to having staff replace carpet is working out well – they do a nice job with the carpet tile.

At Hickory Street, Vermont Housing Finance Agency will be in this month to do annual inspection of common areas and some apartments, and to review tenant files. We're getting into the details of the marketing plan for Phase 3, scheduling open houses, reviewing the waiting list, and developing outreach materials. The second community garden meeting is this week, and thus far we've seen some interest. There are two vacancies at Hickory Street.

We're also gearing up for spring and summer cleanup projects. The first construction meeting for the Templewood Court bathroom renovations is this week; work will begin on April 23 and we'll reach out to tenants soon with the schedule. At Sheldon Towers, all hallway light fixtures have been updated and look quite nice.

Section 8 Program (page 2.9)

Ms. Ladabouche reviewed her report. In March 2 families moved. For the Forest Park resident who relocated to Norfolk, VA, we ended up paying 3 months of HAP, which is why HAP is so high for the month. Fortunately, that voucher

holder has found housing that is in line with our own payment standard. There are two families seeking apartments and another being briefed this week.

The increase in income limits won't have much impact on the Housing Choice Voucher program because we have such a long waiting list, but when applicants come up on the list we will review their income in light of the update. It will make it easier to lease up HCV holders in the Phase 3 Tax Credit units. Mr. Loso adds that Congress ultimately passed a budget that was quite generous for Public Housing and Section 8, which no one saw coming. However, next year may be different.

Resident Services Report (pages 2.10 – 2.28)

Ms. Keefe reviewed her report. A highlight occurred after the March Vermont Blueprint for Health meeting, when Dr. Steven Cha, Group Director for the State Innovations Group for Medicare/Medicaid Innovations (the entity that initially funded SASH) shared an anecdote. SASH Director Molly Dugan brought his team on a visit to SASH participants at Thayer House in Burlington who talked about the impact the program has had on their lives. It was the most impressive site visit they'd had, and it brought one of the visitors to tears. It speaks very well to the program's impact and value.

INFORMATIONAL ITEMS (pages 3.2 – 3.10)

The following informational items were sent out prior to the meeting:

- A. Aged Delinquency Reports 04/2018
- B. Collections Report 03/2018
- C. Lease Violations/Evictions 03/2018
- D. Housing Occupancy Charts 03/2018

There were no questions about the Informational Items.

NEW BUSINESS

State-legalized Marijuana – Vice-Chairman Anderson asked if RHA has considered the impact of this state legislation for our tenants. Mr. Loso replied that no state law can override the federal prohibition on the use of marijuana, and that in any case, any smoking is prohibited. With edible medical marijuana we don't know if residents are using it, so it hasn't been an issue. Commissioner Carlson asked if we've considered that this might arise as a test case of state vs. federal laws, and if we should budget for that possibility. Mr. Loso will attend the HAI PHA Defense Attorney's meeting where this will be a topic. RHA intends to continue to enforce federal law, until regulation changes to back it up, and the One-strike Rule for drug use will continue to hold sway. Vice-Chairman Anderson recommended providing some clarification for tenants so they don't inadvertently get themselves into trouble. Mr. Loso assured the board that RHA has

addressed the issue when it has come up. He will see that this is stressed in new tenant orientations as well.

EXECUTIVE SESSION

On a motion by Commissioner Carlson and seconded by Commissioner Richards, the Board entered Executive Session at 8:50 a.m. to discuss contractual or human resource issues the premature disclosure of which could put the RHA at a significant disadvantage.

On a motion by Commissioner Richards, seconded by Commissioner Tina Johnson, the Board came out of the Executive Session at 9:10 a.m.

ADJOURNMENT OF MEETING:

There being no additional business to bring before the Board the meeting adjourned at 9:10 a.m. on a motion made by Commissioner Richards seconded by Commissioner Johnson. Upon a roll call, the ayes were unanimous to approve, and the meeting was adjourned.

Date of next BOC meeting: Monday, May 14, 2018 @ the RHA Board Room, 5 Tremont Street, Rutland, VT at 8 a.m.

Respectfully submitted,



Kevin L. Loso
Executive Director/Secretary

Approved by the RHA Board of Commissioners



Chairman's Signature

5/14/18

Date

Prepared by Barbara Richardson, Executive Administrative Assistant