

**MINUTES OF THE JUNE 28, 2011 REGULAR MEETING OF THE  
BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF YAMHILL COUNTY**

The Board of Commissioners of the Housing Authority of Yamhill County (HAYC) met on Tuesday, June 28, 2011, at the Abbey Heights Community Room, 219 12<sup>th</sup> Street, Lafayette, Oregon. Board members present were: Chair Phil Griffin, Commissioners Joyce Morrow and Dave Newville. Staff members present were: Elise Hui, Mark Davis, Judi Herubin, Mike Jager, Jonia Pierce and James Umfleet. Absent from the meeting was Commissioner Lynai Briggs. Excused from the meeting was Commissioner Fred Mickelson as well as staff member Yanira Vera. Guests present were Beth Stevenson (Housing Specialist), Jay Jaeger (Housing Specialist), and Cheri Strawn (FSS Graduate).

Chair Griffin called the meeting to order at 6:30 p.m.

***Public comments:***

Beth introduced FSS graduate, Cheri Strawn, and shared some highlights of Cheri's life and experience on the FSS program. She then presented Cheri with a certificate of completion. Cheri told of how the FSS program has helped her, and expressed her sincere gratitude for it. Commissioner Griffin congratulated her, and thanked her for attending the meeting and sharing her stories. Beth and Cheri were then excused from the meeting.

***Minutes:***

Commissioner Morrow moved to approve the minutes of the May 24, 2011 regular meeting. The motion was seconded by Commissioner Newville and unanimously approved.

***Bills and Communications:***

*List of expenditures* – Commissioner Morrow said she reviewed the list of expenditures and had previously asked James about the \$50,000 payment to Chemeketa Community College, which was answered to her satisfaction.

***Reports of the Secretary:***

***Financial Report:***

May had a negative cash flow from ongoing operations of \$32,687. We have learned that not only is our funding for Section 8 admin fees going to have approximately 83% proration for the year, but also our HAP funding has dropped almost \$350,000. Commissioner Newville asked if the HAP funding reduction would mean fewer vouchers. Judi explained that it doesn't mean fewer vouchers, but it will mean less assistance to each voucher holder.

***Asset Management Report:***

Elise reported that overall physical occupancy remained the same at 94.7%. We had a pipe break and water leak at Abbey, which damaged 2 units. The vacancies at numerous properties have improved in June. Commissioner Griffin noticed only 176 of our 528 units are Section 8 voucher holders. Elise explained that we have historically limited Section 8 clients in our own properties because we used to earn a lower admin fee for them, though HUD eliminated the lower rate in January 2010. Mike reported that

average days to complete work orders was 4.3 days. We have closed all the capital fund grants, so they have been eliminated from the report. We are still working on renovations to the partitioned LRPD duplexes.

*Housing Programs Report:*

We learned that our agency plan for 2011 was approved. We are trying to start utilizing Yardi to automatically calculate FSS Escrows and will be trying this with the GRTHA vouchers first before utilizing the system for the other FSS accounts. We are also working on getting rent comparability information into Yardi so we can start utilizing that functionality in Yardi as well. Work is being done on the Housing Resource Center so that it can function better as a resource area for staff to utilize when assisting clients. The main 12<sup>th</sup> Street NSP home is almost complete. We will be hiring the general contractor from the project as a limited duration employee to assist with completing repairs on the YCAHC house on 22<sup>nd</sup> Street as well as the remainder of the NSP homes including the second 12<sup>th</sup> Street house. MPA continues to move forward. We just learned that we will receive administrative fees of about \$14,000 per month starting in July for the program which is \$68,000 more than we anticipated and budgeted. Total families served by HAYC for the month was 2,136.

*Systems & Development Report:*

*Meridian Street:* We are planning to start working on CFC application requirements around September, or six months prior to the deadline, so that we have plenty of time to complete a thorough application. We will also start the required Design Review process with the City of Newberg at this time.

*Village Quarter Commercial:* We continue to work with our realtors and the business that has shown interest in leasing some of the commercial space, but we still do not have anything concrete yet.

*Executive Director Report:*

Elise and James met with Citizens Bank to discuss restructuring the loan terms for Woodside Park, which was budgeted for a cash flow deficit next fiscal year when principal payments on the loan kick in. Citizens Bank has agreed to extend the life of the loan from 15 years to 20, which lowers the debt service about \$5,000 per month and brings the budget for Woodside into a positive cash flow. Elise and James also met with West Coast Bank to conduct a portfolio review and review current pricing.

***Reports of Committees:***

*None.*

***Unfinished business:***

*Update on LRPD Disposition:* Elise reported that no units were sold in May, and we remain at 58 units sold, and 12 units left to sell. The 10 to be sold to YCAHC are still under renovation.

***New business:***

*Operating & Capital Budget FY2012:* James reported next year's operating budget includes \$14,428,295 of operating income, \$12,471,210 of operating expense, and \$1,493,900 non-operating expense for a net income of \$463,185. Estimated cash flow is

\$472,885, and cash flow from on-going operations is a negative \$117,685, which will be funded with Section 8 admin fee reserves. We learned we should be getting about \$68,000 more MPA funds than anticipated, so James will add that revenue to the budget, lowering the deficit from \$117,000 to \$49,000. Commissioner Griffin asked for approval of the budget with the revision. Commissioner Morrow moved to approve the Operating and Capital Budget for FY2012 with the one revision noted. The motion was seconded by Commissioner Newville and unanimously approved.

*Tenant Receivable Write-Offs FY2011:* James requested permission to write off \$34,629 past-tenant receivables that are not collectable. The write-offs are 1.3% of budgeted rental revenues. Commissioner Morrow moved to approve the FY2011 Tenant Receivable Write-Offs. The motion was seconded by Commissioner Newville and unanimously approved.

*Disposition of Excess Maintenance Equipment:* With the contracting out of landscape maintenance, Mike is requesting approval to dispose of some maintenance equipment, some with a book value exceeding \$1,000. As required by HAYC's Capitalization and Disposition Policy, disposition of property with a book value over \$1,000 must be approved by the board. Commissioner Newville moved to approve of disposition of the excess maintenance equipment. The motion was seconded by Commissioner Morrow and unanimously approved.

*Revised Employee Handbook:* Elise presented a revised employee handbook. It has been reviewed by two separate employment law attorneys for compliance with state and federal laws, as well as reviewed by management and members of the Labor/Management Committee. Commissioner Morrow brought up several concerns, which staff will follow up on. Approval of the handbook was tabled until the next meeting.

***Additions to the agenda:***

*Section 8 Housing Choice Voucher Changes:* Due to the HAP funding cuts, we plan to take measures to reduce our average HAP, including interim rent adjustments, subsidy standard adjustments, and increased minimum rents. Judi handed out the notice that will be going out to all our clients, landlords and community partners on July 5th that explains the measures we are going to be taking to reduce costs. Commissioner Newville moved to approve the notice as written. The motion was seconded by Commissioner Morrow and unanimously approved.

The board went into Executive Session at 8:30 p.m.  
The board returned to Regular Session at 9:40 p.m.

Chair Griffin adjourned the meeting at 9:41 p.m.

Respectfully Submitted,

Elise Hui  
Executive Director/Secretary