

MARQUETTE HOUSING COMMISSION
Meeting Minutes
September 27, 2011

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The meeting was called to order by Vice President Scullion at 5:00 PM.

Present: Scullion, Jordan, Zoller

Absent: Burcar

In Attendance: Joanne Sved, Bob Nissen, Judy E. Taylor

Approval of Minutes: Motion by Zoller, seconded by Jordan, to adopt the August 23, 2011, regular meeting minutes, the Special Meeting Minutes of August 31, 2011, and the Special Meeting Minutes of Sept. 19, 2011. Motion carried unanimously. Motion carried unanimously.

Public Comment: Sved voiced concerns about the MHC working out a deal with Charter to provide reduced-cost Cable TV to residents of Pine Ridge – it would be subsidized by the government and she is opposed to that. She also said she is interested in hearing what happens with the proposed resolution reducing the time a tenant would have to move in a required transfer. Taylor voiced concern about having Charter provide telephone services to Pine Ridge Apartments – she has AT & T because it is the least expensive and having Charter would not be good for her. Pelto assured her that the MHC was NOT working with Charter to provide telephone service to all residents.

Bills and Communications, Check Register: Motion by Jordan, seconded by Zoller, to approve and authorize payment of \$141,068.59 for the General Fund and \$11,869.50 for the Housing Choice Voucher Program. Pelto explained those that were out of the ordinary. Motion carried unanimously.

Cash Position Statement: Motion by Zoller, seconded by Jordan, to accept and place on file the Cash Position Statement of 9/21/2011. Motion carried unanimously.

Executive Director's Report:

Executive Director Position: Interviews were conducted Sept. 22 and 26; references were checked for the prime candidate, background checks were done by the MHC and Detective Captain Gordie Warchock of the Marquette Police Department, and a credit check was conducted.

PHA Annual Plan: Pelto reported the resident meetings and public hearing were held, Deb Maki provided minutes of the resident meetings. Twelve residents attended the LSV meeting and 15 attended the PR one, an excellent turnout. Residents have 30 days to comment and the public has 45 days. The 45 day comment period ends November 2, 2011.

Weatherization Program: Nothing more to report that wasn't included in Pelto's printed report.

Capital Fund: Pelto reported she has been successful getting into eLOCCS to draw down funds, report obligated/expended and to see where we are on our Capital Fund projects. The 2009 Capital Fund should be able to be closed out within the next couple of months because all that remains is two months of debt service payments. The MHC is a year behind on its implementation schedule for the 2010 Capital Fund and because the MHC did not execute the ACC document for the 2011 CF (value of \$378,798) on time, the MHC may lose it entirely. The MHC has got to be on top of this issue so they do not miss the deadline when notified by Washington – supposedly (according to Mark Spooner of HUD) there will be another chance but the time to complete the work will be reduced by a year.

Look Realty Case: Pelto will be testifying on behalf of the state in this hearing set for Traverse City on October 13, 2011.

Step III Grievance Hearing Response: No movement on this issue.

Audit trail prep: Pelto reported that all low-rent checks have been accounted for although 5 are missing – they have cleared the bank and were legitimate checks paying for legitimate bills but the copies cannot be found. 52 checks had problems: lack documentation, uniforms were purchased before maintenance staff passed probation, many checks covered finance charges due to late payment; money was paid for training, the training was cancelled but there is no evidence the registration fee was refunded; bonuses were given to staff when bonuses are forbidden by HUD (the checks specifically say 'bonus'); a 'gift' of money was given to the Youth and Family Center which is also a no-no – you can 'pay' for something specific but not give a 'gift'; Household Appliance was paid \$495 but the attached bill was for \$459; 5 checks were missing, attachments to checks (invoices) showed a different amount was paid than reflected on the invoice as owed.

All bank statements are now in order with bank reconciliations included. "Checks in Transit" for all accounts have been cleared – these should be looked at monthly and if any check more than 60 days old should have follow up, why wasn't the check cashed. For low rent, there were 11 checks, some dating back to Sept. 2010. For HCV, there were 6 checks. All have since been straightened out.

Financial Reports are now all accounted for and bound by project/program for easy review by the auditor.

Legal Expenses paid to date for staff issues (disciplinary actions, dismissal, separation agreements, etc.): \$4,100.25 for Admin.Asst/HCV Coordinator; \$20,927.87 for Project Manager and \$2,252.25 for ED.

Manpower Costs: To date \$5,368.68 has been paid to Manpower for maintenance staff; \$21,412.50 for Administration. Pelto is meeting with the Union Wed. at 1 to discuss the LSV Administrative Assistant position possibly becoming a full time position.

Four checks involving \$2,287.23 resulted in overpayments to vendors. We are now 'using up' those credits. Example: Office Depot had a large credit due to overpayment (\$900+). As we order supplies, we deduct that from this credit.

Money saved by maintenance: Pelto reported that the Pine Ridge maintenance staff saved the MHC \$2,000 by performing work (WO 8258, 8259, 8260) themselves as opposed to calling in a contractor. Commendable!

Insurance Package: Policy has been received with a copy forwarded to HUD on September 19, 2011.

Report of Committees

Vacancy Reports/Waiting List/Project Performance: The board had been provided copies of these records.

TARS, Write Offs: Motion by Zoller, seconded by Jordan, to write off the following accounts:

222-18	\$1,420.36
236-09	<u>\$1,790.96</u>
	\$3,211.32

These will be turned over for collection and recorded in EIV.

Capital Fund – Obligated/Expended: Pelto recorded the obligated/expended in eLOCCS on Sept. 21, 2011.

Operating statements: Pelto reported she had drawn down the operating funds for both Pine Ridge (\$27,907.44) and Lake Superior Village (\$35,564.00) Sept. 21, 2011. Pelto reported that the Income Statement for the Central Office Cost Center has been operating a deficit. She will check to see where legal fees involving the Project Manager were properly coded to LSV, not the Cost Center. Pelto cautioned the board to see that the cost center does not operate in the red because that is the most flexible project for the MHC.

Youth and Family Center: Nothing new to report beyond what was in the boards packet.

Old Business

Resolution 2011-13, Amendment to the Admissions and Continued Occupancy Policy: The proposed resolution would reduce the number of days a tenant would have to move from one unit to another (transfer) from 14 to 4 days. Zoller wanted the following to be a part of the official record of the MHC: She had met with Pelto and had called her to

discuss this particular resolution, Pelto listened and explained everything, was most gracious, answered every question. Zoller would like to see the number of days to transfer be 5 days as opposed to the now-proposed 4 days. Pelto stated that the 5 days wouldn't likely affect Pine Ridge much but it would for Lake Superior Village. Maintenance can get a lot done in a day so to reduce the number of days available for them to ready a unit by even a day creates a problem. Currently Pine Ridge turns over a unit in 6 days whereas LSV takes 15.5 (based on their current report). It is essential that the MHC retain its high performer status because our funding depends on it as well as our reputation. We only experience 3 or 4 transfers in a year. The issue was laid over another month allowing residents more opportunity to respond to the article concerning this that was in the September Newsletter. A tenant spoke up saying they hadn't gotten a Newsletter. Pelto explained that, since few tenants read them, they are no longer delivered to each door – a pile of them is placed at the front window for residents to take. They are welcome to ask the Project Manager for a copy if none are on the counter.

Replacement of Windows at Pine Ridge: Zoller asked about the status of this. Pelto explained that she had applied for a competitive Stimulus Grant (ARRA) that was not funded, the government ran out of funds before even getting to our application.

A/C for the Community Room, ductless: The Board said this was looked into some time ago but does not know the outcome. Pelto will check into it.

New Business

Administrative Assistant, LSV, Job Description: Motion by Jordan, seconded by Zoller, to adopt Resolution 2011-15, LSV Administrative Assistant Job Description. Pelto explained that she was meeting with the Union Wednesday to discuss this position. The board (by concensus) advised Pelto to keep this as a part time position for the time being and re-evaluate it when the Project Manager matter is resolved. Motion carried unanimously.

Interim Executive Director position: Motion by Jordan, seconded by Zoller, to extend Pelto's Employment Agreement to October 31, 2011. Pelto will work with the new director for two weeks, will be available by telephone and would be willing to come in here and there if necessary to train. Motion carried unanimously

Write Off Obsolete Items, Resolution 2011-14: Motion by Jordan, seconded by Zoller, to adopt Resolution 2011-14 and write off the listed items. Motion carried unanimously.

Board Meeting Schedule: Motion by Jordan, seconded by Zoller, to adopt the proposed meeting schedule. Motion carried unanimously.

Hiring New Director: Motion by Zoller, seconded by Jordan, to offer the position to Sharon Kivikko. Motion carried unanimously.

Motion by Zoller, seconded by Jordan, to offer Kivikko a starting salary of \$55,000 with a 6 month review. Motion carried unanimously.


Motion by Jordan, seconded by Zoller, to offer a three year contract (including the Job Description for Executive Director/Asset Manager and benefit schedule) to Kivikko. Motion carried unanimously.

Motion by Jordan, seconded by Zoller, to conduct a credit check after 6 months employment by Kivikko.

Pelto will contact Kivikko with these offers.

Public Comment: None

Adjournment: Motion by Zoller, seconded by Jordan, to adjourn at 6:50 PM. Motion carried unanimously.

Respectfully submitted,

Bonnie J. Pelto
Interim Executive Director