

**HOUSING AUTHORITY OF THE COUNTY OF BUTTE
BOARD OF COMMISSIONERS SPECIAL MEETING**

MINUTES OF April 25, 2013

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:01 p.m.

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Patricia Besser, Sharon Chambers, Larry Hamman, Gene McFarren and Laura Moravec.

Present for the Staff: Ed Mayer, Executive Director; Roy Peters, Deputy Executive Director; Larry Guanzon, Housing Director; Sue Kemp, Finance Officer; and Tamra Young, Executive Assistant.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

None.

4. CORRESPONDENCE

None.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Mid-Year Budget Revision – Per Public Housing and Section 8 appropriations guidance received from HUD, there is an estimated \$125,000-\$147,000 shortfall in Public Housing and \$25,000-\$60,000 shortfall in Section 8 this fiscal year. Management recommendation to cover the budget gap is to transfer up to \$150,000 from the 2011 and 2012 Public Housing Capital Fund monies to cover the deficit in Public Housing and use up to \$60,000 from Section 8 Admin Fee Reserves to cover the Section 8 deficit. Alternatives not recommended include layoffs or paycuts. These alternatives were not recommended because of the depth and scope required to cover the budget shortfall over the remainder of the year (approximately 4 months). Layoffs would require loss of eight (8) staff, and the payout would have to be 30% across the board in order to make up the difference. The Board agreed to use Capital Fund monies and Section 8 Reserve funds to bridge the gap this fiscal year, but noted that serious cost saving

measures, including concessions by staff will be required for next fiscal year. The Budget Review Committee scheduled their first meeting date.

MOTION

Commissioner Hamman moved that HACB use up to \$150,000 in Public Housing Capital Fund monies to subsidize Public Housing operations and up to \$60,000 in Section 8 Admin Fee Reserve Funds to address the FY2013 budget shortfall. Commissioner McFarren seconded. The vote in favor was unanimous.

- 5.2 Public Housing – Management requested that the Board approve changing the funding source for the Gridley Public Housing Landscape Improvement project. At project outset, the decision to use Public Housing Operating Reserves for this project was made to protect the reserves from HUD taking, or “offset”. Since then, the funds appear to no longer be threatened with taking, and it is to the program’s benefit that Operating Reserves be maintained. This can be accomplished by re-allocation of the sources of funds to be used for the landscape project, specifically, to use Public Housing Capital Fund monies to accomplish the work, in addition to the Public Housing Operating Reserves. Staff recommends retention of approximately six (6) months of Public Housing Operating Reserves. Therefore, in order to maintain that amount of reserves, approximately \$300,000 of the funding needed to complete the landscape improvement project needs to be reallocated from Public Housing Operating Reserves to the Public Housing Capital Fund 501-11. Upon Board approval, staff will prepare a Capital Fund 501-11 budget revision for consideration and approval at the next Board meeting.

MOTION

Commissioner Chambers moved that \$300,000 in expenses associated with the Gridley Public Housing Landscape Project be reallocated from Public Housing Operating Reserves to Public Housing Capital Fund 501-11. Commissioner Anderson seconded. The vote in favor was unanimous.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INTIATED BY COMMISSIONERS

None.

11. EXECUTIVE SESSION

11.1 Section 54957.6: Conference with Labor Negotiators

None.

12. COMMISSIONERS' CALENDAR

- **Next regular meeting – May 16, 2013.**

13. ADJOURNMENT

Commissioner McFarren moved that meeting be adjourned. Commissioner Chambers seconded. The vote in favor was unanimous. The meeting was adjourned at 2:57 p.m.

Dated: April 25, 2013.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary