

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

MEETING MINUTES OF September 19, 2019

Chair Moravec called the meeting of the Housing Authority of the County of Butte to order at 2:09 p.m.

1. ROLL CALL

Present for the Commissioners: Kate Anderson, Larry Hamman, Anne Jones, Laura Moravec, and David Pittman.

Present for the Staff: Ed Mayer, Executive Director; Larry Guanzon, Deputy Executive Director; Sue Kemp, Finance Director; Marysol Perez, Executive Assistant; and Jerry Martin, Modernization Coordinator.

Others Present: Debra Lucero, District 2 Supervisor; Butte County Board of Supervisors.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

Commissioner Pittman moved that the Consent Calendar, including Resolution No. 4749 “ADOPT STANDARD CHARGES TO RESIDENTS FOR CLEANING, REPAIR, REPLACEMENT AND MISCELLANEOUS CHARGES”, be accepted as presented. Commissioner Anderson seconded. The vote in favor was unanimous.

4. CORRESPONDENCE

Resignation letter received from Commissioner Schlaff.

5. REPORTS FROM EXECUTIVE DIRECTOR

- 5.1 Family Self-Sufficiency – Ms. Roe was a participant in the FSS program since February of 2018. She set a goal to become a Case Manager and secured gainful employment with Northern Valley Catholic and Social Services. After the Camp

Fire Ms. Roe provided case management services to children and youth affected by the disaster. She accrued an escrow balance of \$4,139.93.

RESOLUTION NO. 4750

Commissioner Hamman moved that Resolution No. 4750 be adopted by reading of title only: “RECOGNITION OF FSS GRADUATE NICOLE ROE”. Commissioner Jones seconded. The vote in favor was unanimous.

- 5.2 HACB Consolidated Budget - Finance Director Kemp presented the FY 2019-2020 budget, effective October 1st. The proposed budget was reviewed and discussed by the Board’s Budget Review Committee. The Committee met on several occasions to review HACB projects and program budget assumptions and projections. The proposed budget was crafted using current and projected revenue and expense levels, applying various assumptions. The most difficult budget to establish was the Section 8 HCV program, because of the impact to operations by the Camp Fire Disaster. Finance Director Kemp advised that a mid-year budget revision may be necessary, to address the Section 8 program’s performance, and to integrate related HUD Waiver dynamics, if any. Once again, Chair Moravec complimented Finance Director Kemp on historically doing a very good job crafting the budget.

RESOLUTION NO. 4751

Commissioner Pittman moved that Resolution No. 4751 be adopted by reading of title only: “APPROVAL OF AGENCY-WIDE FISCAL YEAR 2020 OPERATING BUDGET FOR THE ALL HUD FUNDED PROGRAMS, USDA FARM LABOR HOUSING PROGRAM, AUTHORITY OWNED PROJECTS, AND OTHER AUTHORITY ADMINISTERED PROGRAMS AND CONTRACTS”. Commissioner Anderson seconded. The vote in favor was unanimous.

- 5.3 Section 8 Housing Choice Voucher Payment Standards – Each year, HUD issues its determination of Fair Market Rents (FMR’s) for the jurisdictions served by HACB (Butte and Glenn Counties). Upon receipt of the FMR’s the Housing Authority is charged with comparing them to actual rental market data for the area, and setting Payment Standards relative to the FMR’s. The HACB has the authority to set Payment Standards within +/- 10% of the FMR’s. This year we saw a decrease to the HUD generated FMR’s in Butte County and slight increase to the FMR’s in Glenn County. HACB staff recommends no change to the Payment Standards in Butte County, given the fact that the payment standards in Butte County were raised by nearly 20% last year, 10% for the 2018 program year starting

October 2018, and almost another 10% in response to the Camp Fire Disaster in February. Staff is recommended that the Payment Standards be increased to 100% of FMR in Glenn County.

RESOLUTION NO. 4752

Commissioner Besser moved that Resolution No. 4752 be adopted by reading of title only: “DETERMINATION OF 2019 PAYMENT STANDARD FOR THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM”. Commissioner Pittman Seconded. The vote in favor was unanimous.

- 5.4 HACB Write Offs – Annually, HACB records vacated tenant balances for doubtful accounts, reducing the net tenant accounts receivable shown on the balance sheet. This year, the Public Housing’s write off balance was significantly higher, due to increases in turnover damages, as well as unpaid rents from tenants. Thirteen (13) of the twenty-nine (29) Public Housing households in delinquent account status were evictions, estimating a cost of \$10,000-\$15,000 of the total charges. The damages we are seeing in these units are well beyond ordinary wear and tear, and possibly reflect a new norm, given community and cultural fallout from the Camp Fire Disaster. This year, the Farm Labor Housing write-off balance was significantly reduced, as well as the Section 8 write-off balance. Writing off the balances does not change the net accounts receivable balance, nor does it prevent HACB from pursuing collections; it is an in-house accounting “housekeeping” procedure. Bad Debt is sent to a national debt collection data base and local collection agencies.

RESOLUTION NO. 4753

Commissioner Hamman moved that Resolution No. 4753 be adopted by reading of title only: “WRITE-OFF UNCOLLECTIBLE ACCOUNTS RECEIVABLE”. Commissioner Pittman seconded. The vote in favor was unanimous.

- 5.5 Continuum of Care (CoC) – Board authorization was requested to use General Fund monies to reconcile past Continuum of Care (CoC) activities, in the amount of \$69,192.44. Executive Director Mayer explained the HACB has functioned as both fiscal agent and administrative provider for the CoC during the past decade. Though the work has been largely funded by contracts with City of Chico and two Butte County agencies, Behavioral Health and Department of Employment and Social Services, the funding has not always been consistent nor sufficient to cover all CoC related expenses. Chair Moravec was curious as to why the 2016 amount was so relatively high - Executive Director Mayer explained that was due to both the HUD

Homeless Programs Application and Point in Time Homeless Survey (PIT) being completed in the same year. Commissioner Anderson wondered if there were any other options to take care of the outstanding balance, to where Finance Director Kemp replied, there were no other alternatives – the expensing of the costs was to reconcile internal “due to” liabilities with the General Fund. Executive Director Mayer added that the HACB will not see additional CoC related expenses going forward, as Butte County is currently working to assume administration of the CoC, estimated to be accomplished by the end of the year, an action item that has been approved by the Butte County Board of Supervisors.

RESOLUTION NO. 4754

Commissioner Pittman moved that Resolution No.4754 be adopted by reading of title only: “APPROVAL OF BUTTE COUNTYWIDE HOMELESS CONTINUUM OF CARE EXPENSES”. Commissioner Hamman seconded. The vote in favor was unanimous.

- 5.6 Personnel – In efforts to simplify the administration of the HACB’s Travel Policy, staff recommended, in accordance with IRS guidelines, that Meals & Incidental Expenses accounting be changed from receipt-based to a straight per diem allowance; such personnel policy change is implemented effective immediately.

RESOLUTION NO. 4755

Commissioner Pittman moved that Resolution No. 4755 be adopted by reading of title only: “TRAVEL EXPENSES – REVISION TO THE PERSONNEL POLICY OF THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE”. Commissioner Jones seconded. The vote in favor was unanimous.

- 5.7 Banking – Self-Help Federal Credit Union has requested waiving of the extraordinary security provided for deposit and interest on deposits, up to a total of \$250,000. HACB staff has determined this request to be a reasonable action given no increased risk posed to HACB with deposits not exceeding \$250,000, such deposits covered by federal credit union deposit insurance (similar to FDIC insurance of bank deposits up to \$250,000).

RESOLUTION NO. 4756

Commissioner Anderson moved that Resolution No. 4756 be adopted by reading of title only: “SELF-HELP FEDERAL CREDIT UNION – WAIVER OF SECURITY FOR DEPOSITS AND INTEREST”. Commissioner Besser seconded. The vote in favor was unanimous.

- 5.8 Camp Fire Disaster – The Board was provided with HACB’s last and final weekly report to HUD. Executive Director Mayer reported the HACB is still waiting for HUD response to HACB’s Section 8 HCV program Waiver requests (3). The Waiver requests sought maintenance of the Section 8 Program’s baseline funding over a three year period, to allow the HACB to rebuild the program. Last heard from HUD San Francisco staff was that Waiver approval was circulating for signatures in Washington, D.C.

6. MEETING OPEN FOR PUBLIC DISCUSSION

Supervisor Lucero inquired about electronic access to HACB’s Board Packet on HACB’s website; currently only Agendas and Minutes are posted. Executive Assistant Perez, will look into feasibility and work with the HACB Systems Administrator to ensure public access to this information.

7. MATTERS CONTINUED FOR DISCUSSION

- 7.1 Strategic Asset Plan – Executive Director Mayer provided a brief status update; Physical Needs Assessments for the recommended bond-finance transaction are in process, with property appraisals following soon after. The 2000A Bond series redemption will occur at months end. Completion of the bond finance effort is scheduled for late this year/early next year, in an effort to capture current low interest rates.

8. SPECIAL REPORTS

None.

9. REPORTS FROM COMMISSIONERS

None.

10. MATTERS INITIATED BY COMMISSIONERS

None.

11. EXECUTIVE SESSION

Adjourned – 4:10 p.m.

Reconvened – 4:34 p.m.

11.1 Government Code 54957: Public Employee Performant Evaluation – Chair Moravec indicated the Board reviewed and discussed the Executive Director Performance evaluation.

12. COMMISSIONERS' CALENDAR

- **Next regular meeting – October 17, 2019.**
- **2019 NAHRO National Conference and Exhibition, San Antonio, TX – October 10-12, 2019.**

13. ADJOURNMENT

Commissioner Anderson moved that the meeting be adjourned. Commissioner Hamman seconded. The meeting was adjourned at 4:35 p.m.

Dated: September 19, 2019.

Laura Moravec, Board Chair

ATTEST:

Edward S. Mayer, Secretary