

North Bend City Housing Authorities  
Regular Board Meeting

M I N U T E S

March 25, 2014  
North Bend City Housing Authorities Main Office  
1700 Monroe St.  
North Bend OR 97459

Attendance:

North Bend Board Members: Patty Cook, Vice Chair (via Phone); Ron Cleveland, Commissioner and Bruce Martin, Commissioner

Absent: Kevin Owens, Chair and Helen Sutthill, DVM, Commissioner

Staff: Ned Beman, Executive Director; Cheryl Slagle, Deputy Executive Director; Karen Dubisar, Accountant; Lisa Lucero, Public Housing Manager and Denise Russell, Assistant to Executive Director

Others Present: Terence O'Connor

1. Call to Order: The meeting was called to order by Patty Cook, Vice-Chair at 12:30 p.m.
2. Establishment of a Quorum: A quorum for North Bend City Housing Authority was established.
3. Residents and Citizens to be Heard: None
4. Approval of Minutes: Upon a motion by Commissioner, Bruce Martin; (Commissioner, Ron Cleveland 2<sup>nd</sup>) to accept the minutes from February 25, 2014, of the North Bend City Housing Authority's Regular Meetings were approved. The motion carried unanimously.
5. FASS Score: Executive Director, Ned Beman reported that two years ago HUD took back the reserves from the North Bend City Housing Authority. Because we do not currently have a healthy reserve, our financial score has taken a hit. The other piece that received a lower score is the due to/due from transactions between both companies. Both Housing Authorities are basically run as one entity for the most part, and because the Capitals Funds were not drawn out before the end of the year to pay what North Bend City Housing Authority owes Coos-Curry Housing Authority. This had an adverse effect on the FASS Score. NBCHA is working with a consultant to address issues to keep the Housing Authority from receiving a troubled designation. A lot of it has to do with the lack of funding, reserves, and inter-company transactions. NBCHA does owe CCHA money. The money transfer was done after the end of the year because if you draw down the Capital Funds before the end of the year, the agency looks like it has too much excess cash that HUD would consider a reserve.

If the Housing Authorities were combined this would not be as big of an issue because there would be no inter-company debts (due to/due from transactions); they would be washed out. During the

past history of the two Agencies, the money owed between the Agencies to the other was not tracked well, and this has created a debt that NBCHA owes to CCHA that causes problems with FASS Score. Currently, the Agency has taken steps to ensure that the monies owed are transferred to the Agencies as they happen. However, the older debt still needs to be resolved.

The other issue, that not fixable, is the 26% that the Agencies have to pay to PERRS. The debt is \$1.2 Million.

E.D. Beman just wants the Board to be aware that on paper for the years 2012 and 2013 the Housing Authority may look troubled financially. An Errors and Omissions Statement is being worked on to try and correct the issue.

6. Consolidation Discussion of the Coos-Curry and North Bend City Housing Authorities: Vice-Chair, Patty Cook wants to reopen the discussion of consolidating the two Housing Authorities. V.C. Cook believes that it is still in the best interest of the Housing Authorities to consolidate, and improve operational efficiencies.

E.D. Beman completed the research that the Board requested in January. There are three directions that can be taken to consolidate. They are: 1) Work with the North Bend City Council to attain a majority vote for consolidation. It would be the best to work with the Board to do that; 2) Work with Legislators to change the Oregon State Legislation; 3) Dissolve the North Bend City Housing Authority.

V.C. Cook requested input from City Administrator, Terence O'Connor, regarding the City of North Bend Council's willingness to look at this issue again. It is unclear how successful this approach would be. More education may be required for how HUD does the funding for the Housing Authorities. It may not have been clear what the actual concrete examples money savings are besides the time savings in reporting, etc. Another factor, may be the number of the Housing Authority Commissioners that spoke to the Council about not being in favor of consolidation.

Executive Director Beman indicated that he worked with the North Bend City Council Members for a couple of months. Including speaking with each Council Member individual to present the issues and address any questions that they may have had.

Vice-Chair Cook would like to have this issue on next month's agenda for further discussion on how the Board can present the issue differently and educate the North Bend City Council on how this really does benefit the Housing Authority.

Karen Dubisar state that she wondered if the NBC Council missed the fact that the Housing Authority has already made the cuts in staff because the HA could see that the funding shortfalls were coming. The Housing Authority was proactive in restructuring the organization to accommodate the shortfalls in funding. Mr. O'Connor cautioned the Board that they are mostly businessmen, and he was not sure that they Councilmen missed this point.

Vice-Chair Cook asked if they Housing Authority was unanimous on the decision to consolidate if the Council would respond positively to the consolidation. Executive Director Beman indicated that it would not hurt.

Commissioner Martin is not sure that discussing the budget cuts that have previously been made is a good strategy, as the City has had to make lots of cuts as well. Mr. O'Connor stated that if the Housing Authority feels strongly enough to continue to try and consolidate, that the education, easily understood and verifiable that there is reason to complete the consolidation. Commissioner Cleveland stated that it is important to understand that the Housing Authority can do it in our own term verses HUD telling us that we have to do it. HUD has not formally made the announcement for consolidation of the smaller Housing Authorities, even though it is know that it is coming.

7. **Secretary's Report:** Executive Director, Ned Beman, reported to the Board that flyers to all of the Airport Heights residents regarding Senator Roblan talking about education, the Boys and Girls Club came in to talk about programing to gear toward the middle school aged children, and Southwestern Oregon Community College to do a GED program. The person that showed up for the meeting with her three children is very interested in all of the programs.

Senator Roblan is not discouraged, the Housing Authority will set another date and have a picnic/barbeque. Senator Roblan will try and get a \$100 gift certificate to get parents to show up. The Housing Authority is trying hard to get a program started at Airport Heights. It is becoming more prevalent that GED are required to get a job.

In order to facilitate the GED program, the Housing Authority will purchase computers for approximately \$200 per computer. Upon successful completion of the program, they would we able to keep the computer. The only way the program can be done is if there are between 15 and 25 participants. The age group for the program would be 16 and older. The testing actually costs \$150 per individual. Of the 101 children in the complex there are 20 in the age group.

Jordan Cove has received their export permit. There will be positive and negative impacts once this project is started. A negative impact will be for Section 8 because the rents will likely increase. As the payment standards raise, the funds available per person shrinks. The people that will be the most impacted are those that are elderly and/or disabled. Executive Director Beman is working with Jordan Cove on a stop gap program that will lessen the impact that the construction boom will have on housing rents by providing a differential between the current housing fair market rents and what the actual rents will be.

- A. **Financial Report:** Funding for this year should be around 82 percent. The Capital Funds have been moved over to operations. Airport Heights of \$59,000 and Hamilton Court of \$57,000. This is money that will be drawn down throughout the year. The reserves are at \$145,000. The reserve level is recommended to be at six months; however, due to budget cuts this is approximately three months' worth.
- B. **Operations Report:** The flooring contract has been moved back to Knutson's who is willing to honor the bid they provided in August 2013.

In addition, there is 1 empty unit in Hamilton Court and two in Airport Heights.

- C. **Maintenance Report:**
- D. **Contracts and Projects:** For this current year the Housing Authority is looking to complete the wireless for Hamilton Court, and H.C. has requested that another electric door be added to the building. The parts for the door should be arriving soon. The cost of the door project

is \$10,000

E. **Staff/Training:** None

8. **Informational Items:** None

9. **Executive Session:** None

10. **Adjournment:** Upon a motion by Commissioner, Ron Cleveland; (Commissioner, Bruce Martin 2<sup>nd</sup>), the North Bend City Housing Authority meeting was adjourned at 1:15 p.m.

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Patty Cook, Vice- Chair  
North Bend City Housing Authority

ATTEST:

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Ned Beman, Executive Director