

Coos-Curry Housing Authority  
Regular Board Meeting

M I N U T E S

March 11, 2015  
North Bend City / Coos-Curry Housing Authorities Main Office  
1700 Monroe St.  
North Bend OR 97459

Attendance:

Coos- Curry Board Members: Bruce Newman, Chair; Mark Low, Vice-Chair; Joe Cook, Commissioner, Laura Beville, Commissioner and Patty Sanden, Commissioner

Absent: Karen Gilmartin, Commissioner and Kathleen Bunten, 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: Ronald Fechtner, Derek Case and Ayo Gesinde from Loveridge Hunt & Co., PLLC – via Phone and Kathy Erickson, Congressman Peter DeFazio Aide

1. Call to Order: The meeting was called to order by Chair, Bruce Newman, at 4:00 p.m.
2. Establishment of a Quorum: A quorum for the Coos-Curry Housing Authority was established.
3. Residents and Citizens to be Heard: There are none to be heard.
4. Financial Audit for FY 2013/2014: Ayo reported to the Board that the Board that the audit went very well. The firm was very happy with the response from the staff and management. They were all very courteous and professional.

They did audit in accordance with the Generally Accepted Auditing Standards (GAAP), making sure the audit is presented in accordance with GAAP, in addition to the A133 compliance report for major programs federal funding, and Oregon State compliance for Municipal Corporations.

Ron reported that all three areas: Financial Statements, Internal Controls and Compliance over Financial Statements, and the A133 Report on Compliance with Major Federal Programs (for Coos-Curry's Housing Choice Voucher Program). All three reports have Unmodified Opinions, which means that they were all clean with no issues noted.

Loveridge & Hunt, as part of the audit, interviewed staff to understand what they do, randomly selected tenant files for the HCV program and randomly selected disbursements for review and proper support for authorization. All the items reviewed were properly documented.

Chair Newman noted that the auditors are using the term unmodified opinion rather than unqualified opinion, and wondered if it was the new term. L&H reported that unmodified is the new term that is being used. The Clarified Standard was changed a few years ago and has changed some of the wording in the reports. Chair Newman likes the unmodified term better.

Commissioner Sanden wondered what is included in the Miscellaneous Accounts Receivable. These are from the HA's managed sites, PHD and WAPI, and it is \$269,000 because of the past debt due to/due from. Karen Dubisar, Accountant, reported that the Housing Authority is working on collecting the debt that is owed. Executive Director Beman stated that the debt is from the two projects that is managed by the Housing Authority.

Executive Director Beman noted that it was enjoyable working with the Auditors from Loveridge and Hunt. It was an interesting and good experience to have a new set of eyes to look at the Housing Authority. E.D. Beman thanked Loveridge and Hunt for all their work.

5. Approval of Minutes: Commissioner, Joe Cook (Commissioner, Laura Beville) made a motion to accept the minutes of the January 28, 2015, Board Meeting as presented. The motion passed unanimously with no discussion.
6. Discussion of HUD's Four Options and Possible Action: Executive Director Beman reported to the Board that this is North Bend's discussion. These are the pros and cons of the four options. They have not made a decision on which way to go yet. In review, option one is that NBCCHA split off completely into two separate Housing Authorities. Option two is for a Consortia, which was signed and then rescinded, and the goal for both Housing Authorities is to reduce reporting. If NBCCHA chooses to form a Consortium with CCHA, it is suggested that NBCCHA take over all of the Public Housing Units so that one AMP may be formed, which would provide one budget and reports for operating and capital funds (option 1A). It is unclear at this juncture if NBCCHA will go this direction. Option three, a management agreement is not attractive to NBCCHA authority. Option four is the merger of the two Housing Authorities, which is not going well. At the end of the Chair of NBCCHA is going to ask for two options that can be eliminated from the list, which will allow the focus on the viable options.

HUD has told both HAs that there has to be some formalized agreement between the two HAs. These are the four options that they have given us. Chair Newman stated that the Coos-Curry Housing Authority's first choice is to consolidate the two Housing Authorities. E.D. Beman indicated that is correct.

The Chair for the NBCCHA may call Chair Newman to see if he is available to attend the NBCCHA's Board Meeting at the end of the month.

It is possible that Coos-Curry may have to make the decision to move forward separately, if NBCCHA takes too long making a decision on which way to go because CCHA cannot continue down the road as we have been doing. HUD's General Counsel is looking at both HA's very closely. Chair Newman, asked if Coos-Curry Housing Authority is solvent enough to separate. E.D. Beman indicated that it would be interesting but more likely to succeed than North Bend Housing Authority. The clients would see no difference in the way that it works now.

The only way that the clients benefit is if the Consortium is established with all of the Public Housing under NBCCHA or by consolidating into one Housing Authority. Commissioner Cook requested elaboration on the topic of all the Public Housing being under NBCCHA. E.D. Beman responded that if a client were to get a job in Coquille, they would be able to move/transfer from North Bend to Coquille. Transferring is much easier with one Agency and one Waiting List. Consolidation would be better for grants; however, it would give us 160 units instead of 52 and 108 respectively. Consolidating the Capital Funds into one fund would give us enough money to do a project, and provide for more flexibility in fixing the units. The units are in great shape now, but the HA does not received enough funding in two years to be able to do an entire roof. The Housing Authority has learned that money cannot be put into reserves because HUD takes it back. It would be a whole lot less confusing for a potential client to apply, and consolidation would make it even easier.

The general public doesn't realize that the Housing Authority is two agencies. The goal is to be more efficient because funding is being decreased and fewer staffing. Consolidation would be the most efficient and the Consortia would be the second most efficient. The least efficient would be to completely separate the two agencies, or to have a management agreement, which would be more cumbersome. Chair Newman noted and

E.D. Beman agreed, that if you are operating more efficiently, ultimately the customer base is being served better. Commissioner Cook asked if other Housing Authorities have been through the same process. E.D. Beman indicated that there are more and more that are starting to do this. Mid-Columbia up in the gorge operates as a consortia. They do have a complication, they operate a Housing Authority in Washington as well. There are a lot of Housing Authorities that operate as a consortia; however, it will become harder and harder because they still have all of the separate reporting. Housing Authorities that have consolidated are City of Las Vegas, North Las Vegas and Clark County. The consolidation took State legislation to accomplish. Two of the HAs were troubled and one was in good standing.

Chair Newman noted that there will probably be more and more consolidations as funding gets tighter. E.D. Beman added that as reporting gets more strenuous and HUD keeps micro-managing more and more. It is going ultimately cause no choice but to consolidate.

E.D. Beman stated that we should know more next month after NBCHA meets. Chair Newman, indicated that he would attend the NBCHA next meeting and talk to Chair Patty Cook to see if there is any way that he can help.

7. Amend Resolution No. 611: Appreciation of Service – David Tilton: E. D. Beman suggested tabling this amendment. Chair Newman stated that we are trying to get clarification on the By-laws and how this is supposed to work when a first term is a partial term. Chair Newman was hoping to have an answer by this meeting but the attorney was unable to get to it quickly enough. The HA is trying to do the right thing in following our By-laws, and nothing personal. The issue can be tabled until the next meeting while we wait on response from the attorney. E. D. Beman, or wait and see what the County decides.
8. Resolution No. 615: Cancellation of the Regular March 2015 Board Meeting. Because of the technical difficulties at February's Board Meeting, the Special Meeting was called. Since the auditors were able to attend the Special Meeting to give their report, it does not seem necessary to hold the March Regular Meeting.

Vice-Chair, Mark Low (Commissioner, Joe Cook 2<sup>nd</sup>) made a motion to cancel the Regular March Board Meeting. The motion passed unanimously.

9. Discussion and Possible Action on Executive Director Search through Cardinal Services: Chair Newman stated that the Board realizes that immediate action is required for recruitment to find a new Executive Director. E.D. Beman has turned in his retirement date of June 4<sup>th</sup>, 2015, which is the longest that he will be with the Housing Authority.

Executive Director Beman stated that he will leave either when the house sells or no later than June 4, 2015. He spoke with Cardinal which is our hiring firm for employees. They are willing to help us with an E. D. search for the price of \$2,750. Two national agencies were considerably higher to provide this service. They wanted a minimum of \$10,000. Cardinal can do a good job for the Housing Authority, and the HA will work with them to publish in the two national industry newsletters, NAHRO and PHADA. As soon NBCHA and CCHA agree, Cardinal will be given the information to start the E. D. search. The timeline would be six to eight weeks of being posted; a week for Cardinal to pre-review; have a Search Committee do phone interviews with the top six to eight candidates; then the final three, fly in the end of May beginning of June, to do live interviews.

E.D. Beman suggests that the two HA's Chairs and an outside community person, such as Mike Lehman, be on the Search Committee or the Board could have two from each Board and an outside person. E.D. Beman highly recommends that it is best to have an outside person be part of the Search Committee. In the event that E.D. Beman leaves earlier than the new E.D. is hired, to have Deputy Executive Director, Cheryl Slagle, be the Interim Executive Director on a month-to-month basis because the HA has no way of knowing how long it will take for the newly hired E.D. to get here.

Commissioner Cook asked if the Board needs to do any work on the job description and contract drafts that have been provided in the packet. Chair Newman indicated that the job description looks pretty sound. He did find a

contract that the attorney had done some work on, which he would rather use than the one in the Board packet as a jumping off point for changes if required. These are presented for informational purposes to see more or less what is in E.D. Beman's contract right now. E.D. Beman indicated that the Board has about three months to work on the contract. The more important thing is to get the posting done.

Chair Newman stated that he is comfortable with what has been laid out. As a Board, it means that a serious effort to do a talent search that casts a fairly broad net. Of course, if the talent is found within the organization, then the Board will hire that way as well. However, it is appropriate to approach the search this way to find the best candidate to fill the position.

Commissioner Sanden asked what the other options would there be? Chair Newman indicated that one option would be to just hire from within the organization. While that is an option, this is a position that is important enough that a wider net should be cast for candidates so that the Board is doing its due diligence. It doesn't mean that the Board won't decide to hire from within but it is important to look at what is available. Commissioner Cook agreed with Chair Newman, and that working with a professional service will be a benefit to the Housing Authority as well.

Commissioner, Laura Beville (Commissioner, Joe Cook 2<sup>nd</sup>) made a motion to use Cardinal Services for the Executive Director search, and to review the employment contract as a Board in April. The motion passed unanimously.

10. Secretary's Report: Executive Director Beman reported that Amy Amrhein from Senator Merkley's office has talked with HUD Legal about the million dollars. HUD Legal is figuring out a way that the Housing Authority can use the money. It might be that paperwork will have to be submitted on an annual basis to show the need and ask for a waiver. They think that there is a way that the Housing Authority can use the money. It has helped that Merkley's office has taken the lead on finding a resolution that will be beneficial to the clients, the Housing Authority, and Jordan Cove.
  - a. Finance: The Housing Authority is doing pretty good. Fences have been put in in Port Orford for a couple of reasons. Chain link does not rot out as fast as wood, which means less maintenance. As the wood fences start needing repair, they will be replaced with chain link with privacy slats in them, which helps the chain link fencing look a little better.

The HA still has restricted and unrestricted assets.

Chair Newman wanted to know the administrative costs per voucher (unit) per month. The Accounting Department included that information in the Board Packet. The amount of \$679.31 is based on last year's numbers.

Chair Newman wondered about the Public Housing rents being down, and if it is budget margin or having difficulty collecting rents. E.D. Beman indicated that it is due to people moving out and new ones moving in that are lower income and pay less rent. The HUD subsidy stays the same.

Chair Newman asked how many Public Housing units NBCHA and CCHA has. E. D. Beman stated that NBCHA has 108 and CCHA has 52 units. The larger Housing Authority is still Coos-Curry Housing Authority because of the 800 plus vouchers. In addition, this has been explained to NBCHA that the CCHA serves more families in North Bend than the NBCHA does due to Section 8.

- b. Operations: The CCHAs December 31<sup>st</sup> year end has been approved. This will help align with either a Consortia Agreement or consolidation of the two Housing Authorities. There will be a budget adjustment submitted to the Board to cover the additional six months. Hopefully, there will be some resolution between the Housing Authorities, and one Annual Plan can be submitted to HUD next fall instead of two.

Section 8 towards the end of last year made a push to lease up, which is showing up in our funding for this year. Ten more VASH vouchers were applied for, which brings the total to 54 vouchers once that approval is received. The VA is looking for a second case worker and support staff. They have posted the position internally, and are having trouble finding people that want to move to the coast. The HA will monitor the progress because 54 clients for a single caseworker is way too much. HUD and the VA have an agreement that there would be 25 clients per caseworker. There are clients out looking for housing. The vouchers are split 60/40 between Coos and Curry counties.

c. Maintenance:

d. Staff Training:

11. Information Items: None

12. Executive Session: None

13. Adjournment: Upon a motion by Vice-Chair, Mark Low (Commissioner, Joe Cook 2<sup>nd</sup>) the Coos-Curry Housing Authority meeting was adjourned at 4:45 P.M.

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Bruce Newman, Chair  
Coos-Curry Housing Authority

ATTEST:

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Ned Beman, Executive Director