

**Minutes of the Board of Commissioners of the
Emery County Housing Authority Regular Meeting held at
the Emery County Courthouse - Room 221
75 East Main Street, Castle Dale, Utah**

January 15, 2014

Those present at the meeting were Chairman Jeff Horrocks, Commissioners, Liz Nielsen, Christine Jensen. and Bart Cox. ECHA was represented by John Sehestedt, Executive Director, and Debbie Thornton, and Leslie Bolinder was present to take minutes. The board just completed a conference call with members of the HUD Recovery Team

APPROVAL OF CHAIRMAN AND VICE- CHAIRMAN FOR 2014

A motion was made by Christine Jensen to appoint Jeff Horrocks as Chairman and Bart Cox as Vice-Chairman for 2014. The motion was seconded by Liz Nielson and approved by all members present.

ERRORS AND OMISSION INSURANCE FOR THE BOARD OF COMMISSIONERS.

John reported that he has not obtained errors and omission insurance for the board's commissioners as of yet. He reported that it is an intensive process. Both Jeff and John are working on getting quotes for this insurance. A motion was made by Liz Nielson to allow the board chairman to sign the necessary paperwork to acquire errors and omission coverage for the board after verbal approval from the board members. The motion was seconded by Christine Jensen and approved by all members present.

DISCUSSION/REVIEW OF EXISTING BYLAWS

A rough draft of the current bylaws was given to each commissioner for review. The bylaws have not been updated since 1978. Christine Jensen asked about the seal of authority. John reported that he has possession of the seal. Liz mentioned that the date of the board meetings need to be changed. This item will be moved forward to the February agenda for adoption upon a motion by Christine Jensen and a second by Liz Nielson. The motion was approved by all members present.

DISCUSSION/RATIFICATION OF GREEN RIVER CROWN HOME AGREEMENT AND TERMINATION DATE

Utah Housing Corporation contacted Jeff Horrocks and asked him to discuss, with the board, the termination date of the contract with them for management of the Green River Crown Homes #1. John wrote a letter to them, after last board meeting, cancelling the contract. The contract has a 90 day termination clause.

Liz Nielson made a motion to acknowledge the termination date of the contract between Utah Housing Corporation and ECHA to be March 17, 2014. The motion was seconded by Christine Jensen and approved by all members present.

The board asked what responsibilities the ECHA has between now and the official termination date. John reported that he is responsible to “keep a loose eye on the houses” between now and the official termination date.

REPORT AND DISCUSSION ON TENANT ACCOUNTS RECEIVABLE BALANCES. CONSIDERATION AND APPROVAL OF ANY REPAYMENT CONTRACTS

John reported there is a repayment agreement on file from the tenant in Ferron #7. The tenant came in and signed it on 12/30/2013. The Chairman asked for a copy of the agreement.

Castle Dale#10 is still not vacated. The tenant gave 30 day notice to leave on 11/6/2013. The report showed rent owing in the amount of \$427.00. Debbie reported that the amount due will be reduced due to the mistake made in calculating rent. The board directed John to send a letter informing the tenant that the eviction process will begin.

The board asked for a clarification on what rent calculating mistake and why the rent is being adjusted? Debbie explained that HUD had just completed an audit. HUD noticed that \$50 rent was consistent among several tenants. It is current policy of the ECHA to charge a minimum rent of \$50.00. HUD determined that a HA cannot charge a minimum rent due to utility allowances and other case specific information. Twenty-two past or present tenants will have their rent reviewed and adjusted back to April 2012 due to this audit. ECHA staff was told to make this rent miscalculation issue a top priority.

The Chairman complimented John and Debbie since the amount of rent owing this month is down from last month. The board stressed that policy always be followed.

Castle Dale #4 just got rented and there are two vacancies in Ferron (8 & 9).

ROUTINE HOUSEKEEPING/CLEANLINESS INSPECTION REPORT AND ASSIGNMENT OF BOARD MEMBERS TO ACCOMPANY ECHA PERSONNEL ON INSPECTIONS

Christine Jensen accompanied John on the inspections for the Castle Dale units. She reported that the apartments are looking better than when the inspections began last fall.

#7 and #9 had new locks on the units that John was not aware of and inspections could not be made on these apartments. Policy stated that the tenant cannot change locks unless a key is given to the ECHA. The tenants in #7 & #9 should be informed that a key needs to be in the housing office immediately - or eviction will begin.

#12 had problems with the furnace, but John did not know at meeting time if the furnace was working. The problem is the same one on all the furnaces and is covered under warranty and John was instructed to follow through on this warranty issue.

#2 still has major pet odor.

The tenant in Castle Dale #2 needs to be brought into compliance with the pet policy. The board felt that the tenant was clearly in violation of the pet policy. The board has instructed John to address this issue in past meetings. After review of the policy, Debbie reported that this tenant is in violation. The board stressed that policy must be followed and asked John to report back next meeting on this issue.

Debbie asked that the scheduled inspection dates be changed since they are scheduled on John's sequestered day off. The board will put this item on the next agenda for discussion.

DISCUSSION OF MAINTENANCE LOG AND OUTSTANDING WORK ORDERS

John reported that there isn't an updated maintenance log to present to the board this meeting. With the holidays and his recent vacation there has not been much maintenance done. However, he said that he will knuckle down and get the maintenance items complete.

The Chairman informed John to write the unit number on all invoices where materials/parts are charged for repairs. Presently there is no way to track how much is being spent on each apartment for maintenance. There should be an apartment number on all purchases made for repairs.

HUD told the board that physical inspections of the units could be scheduled as early as April 2014.

DISCUSSION OF FINANCIAL INFORMATION

The FASS information is compiled by the fee accountant. The October reports showed that the HA was still "At Risk". John reported that when the capital funds are calculated into the budget the FASS scores by January should be "Moderate Risk".

A. DISCUSSION OF ACTION TAKEN TO ADDRESS CURRENT ASSETS, CURRENT LIABILITIES, AND UNFUNDED LIABILITIES

The board had asked John to create a new line item in the budget to account for money saved from employees paying a portion or not paying medical insurance. This line item could be used for current liabilities and/or unfunded liabilities. John reported that the fee accountant said there is no way to accommodate this request. However, he asked that the Chairman work with him and conference call with the fee accountant to review options.

B. EXPLANATION OF PERCENTAGE OF OVERAGE OF ANY LINE ITEM YEAR TO DATE

John will address this in an email to the board.

C. RATIFICATION OF RENT SUBSIDY/PAYROLL AND RETIREMENT CHECKS and

D. APPROVAL OF MONTHLY BILLS

A motion was made by Christine Jensen to ratify the December rent subsidy checks. The motion was seconded by Liz Nielson and approved by all members present.

A motion to approve the December monthly bills (ledger) as presented by made by Bart Cox. The motion was seconded by Liz Nielson and approved by all members present.

DISCUSSION OF AN INDEPENDENT PAYROLL ADMINISTRATOR

This item was tabled on a motion by Liz Nielson. The motion was seconded by Christine Jensen and approved by all members present.

The Executive Director recommended that this item be dropped. The board so noted.

DISCUSSION OF VACATION AND SICK LEAVE BANK ACCOUNTING

This item has been discussed in past meetings. The Chairman wanted to make clear to John that his sick leave is capped at 960 and he will not accrue any more sick leave until the balance gets to the current policy level. Vacation and sick leave need to match the time sheets that are

submitted every two weeks. Under the current policy, only 40 hours of vacation can be carried over one year to the next. Jeff Guymon has created a simple spreadsheet to account for hours sick leave/vacation use. John was instructed to begin to use this form January 2014.

DISCUSSION OF CREDIT CARD POLICY

The Chairman brought to the attention of the board that the ED has been using the credit card to pay for some bills, instead of writing checks. The ED said that this is an occasional practice and is used to avoid late fees.

After some discussion, a motion was made by Bart Cox to put this item on the next agenda to draft a policy for credit card use. This motion was seconded by Liz Nielson and approved by all members present.

REPORT FROM ED ON RECENT ASSIGNMENTS.

- a. CD#2 compliance with pet policy and
- b. Adhering to rent policy

John reported that both these items were discussed earlier in the meeting and he had nothing more to add. The board directed the staff to adhere to existing policies , as written, until the policies are revised. The policies are put in place to be fair and consistent to all tenants.

APPROVAL OF DECEMBER 17, 2013 MINUTES

The minutes of December 17, 2013 were approved, with corrections, on a motion by Bart Cox. The motion was seconded by Christine Jensen and approved by all members present.

CLOSED/EXECUTIVE SESSION TO DISCUSS CHARACTER, PROFESSIONAL COMPETENCE OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL

A motion was made by Christine Jensen to go into closed/executive session to discuss character, professional, competence, or physical or mental health of an individual. The motion was seconded by Liz Nielson and approved by the members present.

APPROVAL OF ACTION AS A RESULT OF CLOSED/EXECUTIVE SESSION

A motion was made by Liz Nielson to authorize the Chairman to look into other options for management of the ECHA. The motion was seconded by Christine Jensen and approved by all members present.

A handwritten signature in black ink, appearing to read "Jeff Horrocks", written over a horizontal line.

Jeff Horrocks, Chairman

Approved: 02/19/2014